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PROPOSED ORDINANCE

AN ORDINANCE amending Master Bond Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, Ordinance 14-3645 adopted on the 23rd day of July, 2014 and Ordinance 18-4879 adopted on the 17th day of October, 2018 all as previously amended, to authorize the County to extend the maturity date of the $125,000,000 authorized principal amount General Obligation Bonds, Series 2014D, the $50,000,000 authorized principal amount General Obligation Bonds, Series 2018 and any other Capital Project Bonds issued thereunder, to extend the revolving line of credit related thereto to finance capital projects, and approving a form of indenture amendment for such financing.

WHEREAS, the Board of Commissioners (the *"Board")* of The County of Cook, Illinois (the *"County"),* heretofore adopted on the 27th day of July, 2011, Ordinance Number 11-O-69 entitled, "An Ordinance providing for the issuance of one or more series of General Obligation Bonds of The County of Cook, Illinois" (the *"Bond Ordinance");* and

WHEREAS, the Board amended the Bond Ordinance on the 7th day of September, 2011, pursuant to amending Ordinance Number 11-O-70 (the "*First Amending Ordinance")* entitled, "An Ordinance Amending Ordinance Number 11 -O-69 adopted on the 27th day of July, 2011, by the Board of Commissioners of The County of Cook, Illinois;" and

WHEREAS, the Board further amended the Bond Ordinance on the 1st day of May, 2012, pursuant to amending Ordinance Number 12-O-21 (the *"Second Amending Ordinance")* entitled, "An Ordinance Amending Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, to make technical clarifications and revisions regarding credit facilities and other variable rate debt instruments;" and

WHEREAS, the Board further amended the Bond Ordinance on the 16th day of October, 2012, pursuant to amending Ordinance Number 12-O-45 (the *"Third Amending Ordinance")* entitled, "An Ordinance Amending Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, by the Board of Commissioners of The County of Cook, Illinois," and

WHEREAS, the Board further amended the Bond Ordinance on the 13th day of November, 2013, pursuant to amending Ordinance Number 13-1961 (the *"Fourth Amending Ordinance"*) entitled, "An Ordinance amending Master Bond Ordinance Number 10-O-69 adopted on the 27th day of July, 2011, as previously amended, to name additional financing teams and authorize the issuance of certain refunding bonds;" and

WHEREAS, the Board further amended the Bond Ordinance on the 23rd day of July, 2014, pursuant to amending Ordinance Number 14-3645 (the *"Fifth Amending Ordinance"*) entitled "An Ordinance amending Master Bond Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, to authorize the County to enter into a revolving line of credit to finance capital projects and approving a form of indenture for such financing"; and

WHEREAS, the Board further amended the Bond Ordinance on the 17th day of October, 2018, pursuant to amending Ordinance Number 18-4879 (the *"Sixth Amending Ordinance"*) entitled "An Ordinance amending Master Bond Ordinance Number 11-O-69 adopted on the 27th day of July, 2011, as previously amended, to authorize the County to enter into a revolving line of credit to finance capital projects and approving a form of indenture for such financing" (the Bond Ordinance, as amended by the First Amending Ordinance, the Second Amending Ordinance, the Third Amending Ordinance, the Fourth Amending Ordinance, the Fifth Amending Ordinance and the Sixth Amending Ordinance, being the *"Master Bond Ordinance"*); and

WHEREAS, the Master Bond Ordinance authorizes the issuance of one or more series of general obligation bonds to finance Capital Projects (the *"Capital Project Bonds"*) in a not to exceed aggregate principal amount of $295,000,000, for such Capital Projects as are expressly approved by the Board from time to time; and

WHEREAS, traditionally the County has financed its Capital Projects primarily through long-term borrowing; and

WHEREAS, the County previously has determined that tax-exempt, revolving lines of credit (each, a *"Revolver"*) issued by a bank or banks will provide a cost-efficient means to finance its Capital Projects on a tax-exempt basis and that such Revolvers may ultimately be refinanced with tax-exempt long-term bonds; and

WHEREAS, under the Master Bond Ordinance, any amounts drawn under a Revolver *("Advances"*) are Variable Rate Bonds and are Direct Purchase Bonds purchased by the bank providing such Revolver; and

WHEREAS, the County previously has determined that Revolvers will assist the County in achieving its goals of eliminating negative arbitrage in project funds, minimizing costs associated with undrawn balances, achieving the lowest rate available in the current short-term market and mitigating structural, credit, liquidity and operational risk; and

WHEREAS, the County previously has determined to enter into an agreement with PNC Bank, National Association (*"PNC")* pursuant to which PNC provides a Revolver to the County (the *"PNC Revolver"*) in an amount not to exceed $175,000,000, which Revolver was extended for a one-year period in November, 2022 and is currently scheduled to mature on January 1, 2024; and

WHEREAS, Advances drawn pursuant to the PNC Revolver are secured by the Trust Indenture dated as of October 1, 2014 (as amended by the first and second amendments thereto, the "2014D Indenture") between the County and Amalgamated Bank of Chicago, as trustee), securing the County's $125,000,000 General Obligation Bonds, Series 2014D (the "2014D Bonds") and $50,000,000 General Obligation Bonds, Series 2018 (the "2018 Bonds" and, together with the 2014D Bonds, the "Bonds") in accord with such financial policies as are approved by the Board and contained within the annual budget resolutions; and

WHEREAS, the Board has determined that it is in the best interests of the County and its taxpayers and residents to extend the maturity of the Bonds for an additional term, not to exceed ten (10) years from their current maturity date, at the current maximum authorized principal amount of $175,000,000, and to extend the term of the PNC Revolver as described below; and

WHEREAS, the Board hereby expressly determines that it is advisable and necessary to (a) extend the maturity date of the Bonds to a date no later than January 1, 2034, (b) enter into the Third Amendment to Indenture (the "Third Amendment"), the form of which has been prepared and is present at this meeting to effect the maturity date extension and other provisions, (c) to enter into an agreement to extend with PNC for up to three years and execute any related documents (collectively, the "PNC Revolver Agreements") in forms approved by the Chief Financial Officer of the County (the "Chief Financial Officer") pursuant to which PNC will provide and extend the PNC Revolver to the County the $175,000,000.00 principal amount contemplated by this Ordinance, and (d) after the term specified in (c) above, to the extent the Chief Financial Officer deems necessary and advisable at that time, to further extend the PNC Revolver Agreements with the County at the $175,000,000 principal amount contemplated by this Ordinance up to the date of Bond maturity and in forms approved the Chief Financial Officer thereafter through the date of maturity.

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

Sec. 1. Amendment to Final Maturity Date for Revolver.

The first paragraph of Section 4 of the Fifth Amending Ordinance is hereby amended and restated as follows:

"The final maturity date for any Revolver including any renewals of any such Revolver shall not be later than January 1, 2034 and the interest rate borne on any Advance shall not exceed 10%."

Sec. 2. Revolvers, Advances and the PNC Revolver Agreement.

The Chief Financial Officer is hereby authorized, on behalf of the County to approve the final provisions of the PNC Revolver Agreements consistent with this Ordinance which may include, but are not limited to provisions on fees, covenants, indemnification of PNC and its related entities and each of their respective directors, officers and employees, events of default, remedies, interest rates on Advances, repayment terms for Advances and conditions precedent to Advances, and the payment of the costs of issuance of the 2014D and 2018 Bonds from Advances. The PNC Revolver shall have a maximum principal stated amount of not to exceed $175,000,000, shall be up to three years' duration and shall have the terms as set forth in the PNC Revolver Agreements. The Chief Financial Officer is hereby authorized, on behalf of the County, to execute and deliver, and the County Clerk is hereby authorized, on behalf of the County, to attest and impress the official seal of the County upon, the PNC Revolver Agreements. The final maturity date for any Revolver including the term of any renewals thereof shall not be later than January 1, 2034, and the interest rate born on any Advance shall not be more than 10% per annum.

The President, the Chief Financial Officer, the Deputy Chief Financial Officer of the County, the Comptroller of the County and the Deputy Comptroller of the County (each, an *"Authorized Officer"*) are each, jointly or collectively as provided herein, authorized to execute on behalf of the County any documents relating to Advances, the PNC Revolver and the PNC Revolver Agreements; provided however, that any requests for Advances and other documents relating to requests for Advances, as amended (including, but not limited to the forms as set forth as Exhibits B-D to the Indenture) must be signed by any two of the Authorized Officers. In addition, after the up to three year term specified above, to the extent the Chief Financial Officer deems necessary and advisable at that time, the Chief Financial Officer is authorized to further extend the PNC Revolver Agreements with the County at the $175,000,000 principal amount contemplated by this Ordinance up to the date of Bond maturity and in forms approved by the Chief Financial Officer thereafter through the date of maturity.

Sec. 3. Indenture Amendment.

The Chief Financial Officer is hereby authorized, on behalf of the County to execute and deliver, and the County Clerk is hereby authorized, on behalf of the County, to attest and impress the official seal of the County upon, the Third Amendment. The Third Amendment shall be in substantially the form present at this meeting and attached as *Exhibit A* and hereby approved. The Chief Financial Officer's execution of the Third Amendment will constitute conclusive evidence that the executed Third Amendment is in substantially the form present at this meeting.

The Authorized Officers are each, jointly or collectively as provided herein, authorized to execute on behalf of the County any documents relating to the Indenture and the Third Amendment; provided however, that any requests for Advances and other documents relating to requests for Advances, as amended (including, but not limited to the forms as set forth as Exhibits B-D to the Indenture) must be signed by any two of the Authorized Officers.

Sec. 4. Declaration of Intent.

The County has adopted its Resolution and Annual Appropriation Bill for the Fiscal Year 2024 (including, all Volumes of the FY2024 Cook County Annual Appropriation Bill related thereto, the "*2024 Budget Resolution*")) on November 16, 2023 which is incorporated by reference herein. Previously, the County adopted its Resolution and Annual Appropriation Bill for the Fiscal Year 2023 (including all Volumes of the FY2023 Cook County Annual Appropriation Bill related thereto (the "*2023 Budget Resolution*")) on November 17, 2022, which is incorporated by reference herein. The County expects to incur significant costs for the capital equipment, capital improvements and transportation and highway capital equipment referenced specifically in the 2024 Budget Resolution, which are hereby incorporated by reference herein, and which conform to the definition of Capital Projects in the Master Bond Ordinance, and has incurred significant costs for the capital equipment, capital improvements and transportation and highway capital equipment referenced specifically in the 2023 Budget Resolution, which are hereby incorporated by reference herein and which conform to the definition of Capital Projects in the Master Bond Ordinance (collectively and in the aggregate, the "*Capital Improvements*"). The County has determined that it intends to finance all or a portion of the cost of the Capital Improvements with the proceeds of obligations the interest on which is excludable from gross income for federal income tax purposes ("tax-exempt bonds"). Except to the extent authorized under the federal tax regulations by the 2023 Budget Resolution or other official intent action of the County, no costs of the Capital Improvements to be so financed or reimbursed were paid more than 60 days prior to the date of this Ordinance, other than preliminary expenditures (not exceeding 20% of the aggregate issue price of the tax-exempt bonds issued to finance the Capital Improvements), provided that such preliminary expenditures shall not include costs of land acquisition or site preparation or other costs of construction or acquisition of the Capital Improvements. The County hereby declares its intention and reasonable expectation to use proceeds of tax-exempt bonds (the "*Reimbursement Bonds*") to reimburse itself for expenditures for costs of the Capital Improvements. The County intends that the Reimbursement Bonds are to be issued, and the reimbursements made, by the later of 18-months after the payment of the costs or after the Capital Improvements are placed in service, but in any event, no later than three years after the date the original expenditure was paid. The County anticipates that the maximum principal amount of Bonds issued to finance the Capital Improvements, including Reimbursement Bonds, will not exceed $400,000,000.00. The costs of the Capital Improvements consist entirely of capital expenditures or costs of issuance of tax-exempt bonds, and no cost of the Capital Improvements to be reimbursed with the proceeds of the Reimbursement Bonds is a cost of working capital. The appropriate officers of the County are hereby authorized and directed to take or approve the taking of such actions as may be necessary or appropriate in order to preserve the ability of the County to finance the Capital Improvements in accordance with the federal tax regulations and this Ordinance. The County will not, at any time within one year after any allocation of proceeds of the Reimbursement Bonds to reimburse any expenditure, use the reimbursed funds to create a sinking fund for any issue of tax-exempt bonds to otherwise replace the proceeds of any issue of tax-exempt bonds.

The County recognizes that, following the expiration of the authority and official intent referenced in this Section 4, additional intent actions may need to be taken by the County in connection with the issuance of additional Reimbursement Bonds to reimburse itself for additional capital expenditures.

Sec. 5. Miscellaneous. The form of the 2014D Indenture, as amended by the Third Amendment, is hereby ratified and approved. Notwithstanding anything heretofore in the Master Bond Ordinance to the contrary, the Bonds shall be dated as provided in the 2014D Indenture, as amended by the Third Amendment.

Sec. 6. 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.

Effective date: This ordinance shall be in effect immediately upon adoption and upon the obtaining of any consents required by the Master Bond Ordinance, as amended hereby.