



# Board of Commissioners of Cook County

118 North Clark Street  
Chicago, IL

## Legislation Details (With Text)

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<b>File #:</b>	13-1938	<b>Version:</b>	1	<b>Name:</b>	EXTENSION OF THE MATURITY DATE OF A PREVIOUSLY APPROVED LINE-OF-CREDIT AGREEMENT
<b>Type:</b>	Resolution	<b>Status:</b>			Approved
<b>File created:</b>	10/9/2013	<b>In control:</b>			Finance Committee
<b>On agenda:</b>	10/23/2013	<b>Final action:</b>			11/13/2013
<b>Title:</b>	PROPOSED RESOLUTION				

FOR THE APPROVAL OF AN EXTENSION OF THE MATURITY DATE OF A PREVIOUSLY APPROVED LINE-OF-CREDIT AGREEMENT AND RELATED DOCUMENTS

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 Constitution of 1970, as supplemented by the Local Government Debt Reform Act, as amended, the ("Act"), exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

WHEREAS, the County has the power to incur debt payable from any lawful source and maturing within 40 years from the time it is incurred 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 provided any County Code provisions which restrict or limit the exercise of the home rule powers of the County in the issuance of general obligation full faith and credit notes without referendum for corporate purposes or which provides any special rules or procedures for the exercise of such power; and

WHEREAS, pursuant to Ordinance 11-0-29, adopted on the 16th day of February, 2011 (the "Prior Authorizing Ordinance") and pursuant to Resolution 11-R-239, adopted 12th day of July, 2011 (the "Prior Authorizing Resolution"), the Board heretofore determined it to be advisable, necessary and in the best interests of the County that the County authorize the execution and delivery of an agreement for a line of credit with a maturity date of November 30, 2014 and a draw cap of \$200,000,000; and

WHEREAS, pursuant to the Prior Authorizing Ordinance and Resolution, the Board likewise authorized the execution and delivery of one or more promissory notes to evidence the obligation to repay the principal of and interest on amounts drawn down by the County under such Line of Credit Agreement; and

WHEREAS, the Prior Authorizing Ordinance and Resolution provided for the execution of one or more Note Orders, setting forth certain details of any such agreement and note, all within certain limitations and as set forth in the Prior Authorizing Ordinance and Resolution; and

WHEREAS, pursuant to the Prior Authorizing Resolution, the Board expressly approved the Line of Credit Agreement and Note which were attached thereto, authorized the President to execute said Line of Credit Agreement and Note, and further authorized the Chief Financial Officer to execute a related Note Order; and

WHEREAS, on the 27th day of July, 2011, the President executed said Line of Credit Agreement and Note, and the Chief Financial Officer, on that same date, executed said Note Order; and

WHEREAS, pursuant to the Prior Authorizing Resolution and the express terms of the Line of Credit Agreement and Note attached thereto, the Line of Credit Agreement, Note, and Note Order (collectively, "Line of Credit Documents") contained a maturity date of November 30, 2014 and a draw cap of \$200,000,000; and

WHEREAS, pursuant to the Prior Authorizing Resolution and the express terms of the Line of Credit Agreement and Note attached thereto, said Line of Credit Agreement may be amended through an amendment that is consented to in writing by the County and the Registered Owner of the Note; and

WHEREAS, due to the attractive interest rate available under said Line of Credit, the continued access to readily available funds for the purposes set forth in the Prior Authorizing Ordinance is advisable and prudent, the Board determines that it is in the best interest of the County that the aforementioned Line of Credit Documents be extended for an additional twelve (12) months, from November 30, 2014 to November 30, 2105; and

WHEREAS, due to structural reforms associated with the County's long-term debt, budgets, and financial practices, the County is in a position to reduce the draw cap on the line of credit from \$200,000,000 to \$100,000,000; and

WHEREAS, JPMorgan Chase Bank, N.A., the Registered Owner of the Note, consents in writing to an extension of the Line of Credit Documents to November 30, 2015 with a reduction of the draw cap from \$200,000,000 to \$100,000,000; and

WHEREAS, it is not contemplated or intended that any other term, condition, or provision of the Line of Credit Documents be otherwise amended, except by including a County covenant to maintain a minimum general obligation bond rating, and revising the form of Line of Credit Documents as submitted and attached hereto; and

WHEREAS, action by the Board is necessary or advisable to effect the extension of the Line of Credit Documents to November 30, 2015, the reduction of the draw cap in said Line of Credit Documents to \$100,000,000, and the revisions as to the form of the Line of Credit Documents, as submitted and attached hereto;

NOW, THEREFORE, BE IT RESOLVED, NOW, THEREFORE, BE IT RESOLVED, that the Board of Commissioners approves the amendment to the Line of Credit Agreement, the re-execution of the Note, and the amendment to and restatement of the Note Order, all as authorized by the Board through the Prior Authorizing Resolution, with the maturity date extended to November 30, 2015, the draw cap reduced to \$100,000,000, the inclusion of a County covenant to maintain a minimum general obligation bond rating as set forth in said amendment to the Line of Credit agreement, and such revisions as to form as are submitted and attached hereto.

**Sponsors:** TONI PRECKWINKLE (President)

**Indexes:**

**Code sections:**

**Attachments:** 1. Form E Line of Credit

Date	Ver.	Action By	Action	Result
11/13/2013	1	Board of Commissioners	approve	
11/13/2013	1	Finance Committee	recommend for approval	Pass
10/23/2013	1	Board of Commissioners	refer	Pass

## PROPOSED RESOLUTION

### FOR THE APPROVAL OF AN EXTENSION OF THE MATURITY DATE OF A PREVIOUSLY APPROVED LINE-OF-CREDIT AGREEMENT AND RELATED DOCUMENTS

**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 Constitution of 1970, as supplemented by the Local Government Debt Reform Act, as amended, the (“Act”), exercise any power and perform any function pertaining to its government and affairs, including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, the County has the power to incur debt payable from any lawful source and maturing within 40 years from the time it is incurred 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 provided any County Code provisions which restrict or limit the exercise of the home rule powers of the County in the issuance of general obligation full faith and credit notes without referendum for corporate purposes or which provides any special rules or procedures for the exercise of such power; and

**WHEREAS**, pursuant to Ordinance 11-0-29, adopted on the 16th day of February, 2011 (*the “Prior Authorizing Ordinance”*) and pursuant to Resolution 11-R-239, adopted 12<sup>th</sup> day of July, 2011 (*the “Prior Authorizing Resolution”*), the Board heretofore determined it to be advisable, necessary and in the best interests of the County that the County authorize the execution and delivery of an agreement for a line of credit with a maturity date of November 30, 2014 and a draw cap of \$200,000,000; and

**WHEREAS**, pursuant to the Prior Authorizing Ordinance and Resolution, the Board likewise authorized the execution and delivery of one or more promissory notes to evidence the obligation to repay the principal of and interest on amounts drawn down by the County under such Line of Credit Agreement; and

**WHEREAS**, the Prior Authorizing Ordinance and Resolution provided for the execution of one or more Note Orders, setting forth certain details of any such agreement and note, all within certain limitations and as set forth in the Prior Authorizing Ordinance and Resolution; and

**WHEREAS**, pursuant to the Prior Authorizing Resolution, the Board expressly approved the Line of Credit Agreement and Note which were attached thereto, authorized the President to execute said Line of Credit Agreement and Note, and further authorized the Chief Financial Officer to execute a related Note Order; and

**WHEREAS**, on the 27<sup>th</sup> day of July, 2011, the President executed said Line of Credit Agreement and Note, and the Chief Financial Officer, on that same date, executed said Note Order; and

**WHEREAS**, pursuant to the Prior Authorizing Resolution and the express terms of the Line of Credit Agreement and Note attached thereto, the Line of Credit Agreement, Note, and Note Order (collectively, “Line of Credit Documents”) contained a maturity date of November 30, 2014 and a draw cap of \$200,000,000; and

**WHEREAS**, pursuant to the Prior Authorizing Resolution and the express terms of the Line of Credit Agreement and Note attached thereto, said Line of Credit Agreement may be amended through an amendment that is consented to in writing by the County and the Registered Owner of the Note; and

**WHEREAS**, due to the attractive interest rate available under said Line of Credit, the continued access to readily available funds for the purposes set forth in the Prior Authorizing Ordinance is advisable and prudent, the Board determines that it is in the best interest of the County that the aforementioned Line of Credit Documents be extended for an additional twelve (12) months, from November 30, 2014 to November 30, 2105; and

**WHEREAS**, due to structural reforms associated with the County’s long-term debt, budgets, and financial practices, the County is in a position to reduce the draw cap on the line of credit from \$200,000,000 to \$100,000,000; and

**WHEREAS**, JPMorgan Chase Bank, N.A., the Registered Owner of the Note, consents in writing to an extension of the Line of Credit Documents to November 30, 2015 with a reduction of the draw cap from \$200,000,000 to \$100,000,000; and

**WHEREAS**, it is not contemplated or intended that any other term, condition, or provision of the Line of Credit Documents be otherwise amended, except by including a County covenant to maintain a minimum general obligation bond rating, and revising the form of Line of Credit Documents as submitted and attached hereto; and

**WHEREAS**, action by the Board is necessary or advisable to effect the extension of the Line of Credit Documents to November 30, 2015, the reduction of the draw cap in said Line of Credit Documents to \$100,000,000, and the revisions as to the form of the Line of Credit Documents, as submitted and attached hereto;

**NOW, THEREFORE, BE IT RESOLVED, NOW, THEREFORE, BE IT RESOLVED**, that the Board of Commissioners approves the amendment to the Line of Credit Agreement, the re-execution of the Note, and the amendment to and restatement of the Note Order, all as authorized by the Board through the Prior Authorizing Resolution, with the maturity date extended to November 30, 2015, the draw cap reduced to \$100,000,000, the inclusion of a County covenant to maintain a minimum general obligation bond rating as set forth in said amendment to the Line of Credit agreement, and such revisions as to form as are submitted and attached hereto.