

ORDINANCE NO. 19-1042-0410#8A

**AN ORDINANCE AUTHORIZING THE ISSUANCE OF NOT
TO EXCEED \$50,000,000 BOND ANTICIPATION NOTES OF
THE CHICAGO PARK DISTRICT**

PUBLISHED IN PAMPHLET FORM: April 16, 2019

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DISTRICT

BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE CHICAGO
PARK DISTRICT, AS FOLLOWS:

Section 1. Authority and Purpose. This Ordinance is adopted pursuant to the provisions of the Chicago Park District Act, 70 Illinois Compiled Statutes 1505, and the Local Government Debt Reform Act, 30 Illinois Compiled Statutes 350.

The Board of Commissioners of the Chicago Park District (the "District") has heretofore and does hereby determine to undertake a capital improvement program for the payment of land condemned or purchased for parks, for the building, maintaining, improving and protecting of the same and the existing facilities of the District, and for the payment of the expenses incident thereto, all as enumerated in Section 20 of the Chicago Park District Act (the "Capital Improvement Program").

This Ordinance authorizes the issuance of not to exceed \$50,000,000 principal amount of bond anticipation notes (the "Notes") of the District for the purpose for financing costs of the Capital Improvement Program.

The portion of the Capital Improvement Program to be funded from the proceeds of the Notes includes the capital improvement projects (the "Projects") that are more particularly described in the 2018 Capital Improvement Plan and the 2019 Capital Improvement Plan of the District.

Section 2. Financing Plan. The Board of Commissioners hereby determines to proceed with the financing of the Capital Improvement Program. The General Superintendent & CEO, the Chief Financial Officer, and the Treasurer of the District and any member of the Board of Commissioners are the officers (herein called the "Designated Officers") who are hereby authorized to act in concert to take certain specific actions set forth in this Ordinance. Each such action may be taken upon the approval of not less than two of the four officers.

For the purpose of financing the Capital Improvement Program, not to exceed \$50,000,000 aggregate principal amount of general obligation bonds (the "Bonds") of the District are hereby authorized to be issued pursuant to the provisions of Section 20 of the Chicago Park District Act and the Local Government Debt Reform Act. This Ordinance constitutes an appropriation of bond proceeds for financing the Capital Improvement Program, including the payment of the Notes. The terms and conditions of the Bonds shall be determined by the Board of Commissioners after compliance by the Board of Commissioners with the requirements of the Bond Issue Notification Act, 30 Illinois Compiled Statutes 352.

In anticipation of the issuance of the Bonds and the receipt of the proceeds of the Bonds, not to exceed \$50,000,000 aggregate principal amount bond anticipation notes (constituting the “Notes”) of the District are hereby authorized to be issued pursuant to the provisions of Section 20b of the Chicago Park District Act and the Local Government Debt Reform Act for the purpose of financing the Capital Improvement Program, including the Projects.

The Board of Commissioners hereby authorizes the District to enter into a Line of Credit Agreement (the “Credit Agreement”) with PNC Bank, National Association (the “Lender”) providing for periodic borrowings under a line of credit (the “Line of Credit”). Such borrowings shall be evidenced by the issuance of Notes. The Credit Agreement shall be in substantially the form of the Line of Credit Agreement attached to this Ordinance and hereby approved.

The Notes, or any portion of the Notes, may be issued (i) as Notes the interest on which is intended to be includable in the gross income of the owners thereof for federal income tax purposes (the “Taxable Notes”) or (ii) as Notes the interest on which is intended to be excludable from the gross income of the owners thereof for federal income tax purposes (the “Tax-Exempt Notes”). The Chief Financial Officer and the Treasurer shall determine if a particular Note is to be issued as a Taxable Note or as a Tax-Exempt Note.

Section 3. Finding as to the Debt Limit. The Board of Commissioners hereby finds and determines that, upon the issuance of the Notes, the aggregate outstanding bonded indebtedness of the District, exclusive of bonds issued to create a working cash fund or otherwise not to be counted against the bonded indebtedness limit of the District

as set forth in the Act, will not exceed one percent (1%) of the assessed valuation of all taxable property therein as last equalized and determined for state and local taxes.

Section 4. Notes and Line of Credit Details. The Notes under the Line of Credit shall become due (subject to the right of prior prepayment) on a date not more than one year from sale of the Notes and the closing date of the Line of Credit ("Maturity Date"). Each advance of funds (an "Advance") under the Line of Credit extended for Taxable Notes shall bear interest at a rate not to exceed the sum of (i) the one-month London Interbank Offered Rate ("LIBOR") plus (ii) 100 basis points determined on each monthly interest reset date. Each Advance under the Line of Credit extended for Tax-Exempt Notes shall bear interest at a rate not to exceed the sum of (i) 70% of LIBOR plus (ii) 65 basis points determined on each monthly interest reset date. Each Advance shall bear interest from the later of the date of a draw or from the most recent monthly interest payment date to which interest has been paid or duly provided for and be due and payable, monthly in arrears. The unused portion of the Line of Credit shall be subject to a fee of 10 basis points per annum on the average daily undrawn amount, payable quarterly in arrears. Upon the Lender's declaration of a default of the Notes, outstanding Advances under the Line of Credit shall bear interest at a rate equal to the sum of (i) the Lender's Base Rate (as defined in the form of Note attached as Appendix I to the Credit Agreement) plus (ii) 3 percent. In no event shall the interest rate on the Notes (including yield protection if any) exceed the maximum rate of interest permitted by law.

Section 5. Prepayment. The Notes under the Line of Credit and each outstanding Advance thereunder shall be subject to prepayment, in whole or in part, without penalty on any monthly interest reset date pursuant to the terms of the Credit

Agreement. It is hereby determined that payment of the outstanding principal of the Notes under the Line of Credit and any accrued interest unpaid at the time of such payment, shall be paid with the proceeds of the Bonds authorized by this Ordinance to be issued by the District.

Section 6. Certain Conditions of Borrowing. The Designated Officers are hereby authorized to proceed, without any further official authorization or direction whatsoever from the Board of Commissioners, to issue the Notes and accept the extension of the Line of Credit as provided in this Ordinance and in the Credit Agreement. Nothing in this Section shall require the Designated Officers to accept the extension and delivery of the Line of Credit at any time if in their judgment, the conditions in the financial markets are such that the issuance of the Notes and acceptance of the Line of Credit at such time is inadvisable, but the Designated Officers shall have the authority to accept the Line of Credit in any event so long as the limitations and conditions set forth in this Ordinance shall have been met. It is hereby found at this time, and at the time of the issuance of the Notes and execution and delivery of the Credit Agreement the Designated Officers shall find and determine that, no person holding any office of the District either by election or appointment, is in any manner financially interested, either directly, in his or her own name, or indirectly, in the name of any other person, association, trust or corporation, in said agreement with the Lender.

Section 7. Source of Payment and Security. This Ordinance constitutes an appropriation of any and all funds of the District (other than any funds in the District's existing accounts transferred to various bond trustees or paying agents to pay debt service on the District's outstanding bonds) from which payment may lawfully be made to

pay the principal of and interest on the Notes (the "General Funds"). The Notes are payable as a general obligation of the District from General Funds.

Section 8. Use of Line of Credit Proceeds; Creation of Accounts. Proceeds of the Notes are hereby appropriated as follows:

Proceeds of the Notes, together with investment earnings (if any), may be applied for the purpose of paying interest due on the Notes to a date not further than one year from the date of the first Advance, and to such end, are to be deposited into the "Interest Account" established as an account (the "Notes Account") of the District to be held by The Bank of New York Mellon Trust Company, N.A., which is hereby appointed to act as depository and paying agent for the Notes (the "Paying Agent").

The amount necessary to pay costs and expenses incurred in connection with the issuance and sale of the Notes, extension of the Line of Credit and preparation of the Credit Agreement shall to the fullest extent possible be totally paid from proceeds of the Notes at the issuance and sale of the Notes or (if and only if necessary) deposited into an account of the District to be held by the Paying Agent, designated the "Expense Account." Such payments by the District or any disbursements from the Expense Account shall be made from time to time as necessary.

The remaining proceeds of the Notes shall be set aside in a "Capital Project Account" (the "Project Account"), hereby established as a sub-account within an appropriate account of the District, and be used to pay or reimburse costs of the Projects, including expenses related thereto, but may hereafter be reappropriated and used for other purposes if such reappropriation is permitted under Illinois law and will not adversely

affect the exclusion from gross income for federal income tax purposes of interest on the Tax-Exempt Notes.

Moneys on deposit in the Notes Account and the Project Account may be invested by the Treasurer in any lawful investment.

Section 9. Tax Covenants For Tax-Exempt Notes. The District shall not take, or omit to take, any action lawful and within its power to take, which action or omission would cause interest on any Tax-Exempt Note evidencing an Advance to become subject to federal income taxes in addition to federal income taxes to which interest on such Tax-Exempt Note is subject on the date of original issuance thereof.

The District shall not permit any of the proceeds of the Tax-Exempt Notes, or any facilities financed with such proceeds, to be used in any manner that would cause the Tax-Exempt Notes to constitute a “private activity bond” within the meaning of Section 141 of the Internal Revenue Code of 1986 (the “Code”).

The District shall not permit any of the proceeds of the Tax-Exempt Notes or other moneys to be invested in any manner that would cause the Tax-Exempt Notes to constitute an “arbitrage bond” within the meaning of Section 148 of the Code or a “hedge bond” within the meaning of Section 149(g) of the Code.

The District shall comply with the provisions of Section 148(f) of the Code relating to the rebate of certain investment earnings at periodic intervals to the United States of America.

Section 10. Execution of the Notes. The Notes shall be executed on behalf of the District with the manual or duly authorized facsimile signatures of any one of the General Superintendent & CEO, the Chief Financial Officer or the Treasurer of the District

and Secretary of the District, all as such officers shall determine. In case any officer whose signature shall appear on the Notes shall cease to be such officer before the delivery of such Notes, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery.

Section 11. Approval of Credit Agreement. The form of the Credit Agreement by and between the District and the Lender, on file in the office of the Secretary, is hereby approved. Any of the Designated Officers is hereby authorized to execute and deliver the Credit Agreement substantially in the form on file in the office of the Secretary of the District and presented to the Board. When such Credit Agreement is executed and delivered on behalf of the District, it will be binding on the District and the officers, agents, and employees of the District, and the same are hereby authorized and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of such Credit Agreement as executed and delivered. The execution and delivery of the Credit Agreement shall constitute conclusive evidence of the approval of such changes and completions. The documents approved by this Section may be executed in one or more counterparts. The corporate seal of the District or a facsimile thereof may, if required, be affixed or otherwise reproduced upon each document and attested by the manual or authorized facsimile signature of the Secretary of the District.

Section 12. Applicable Law. The provisions of this Ordinance shall be governed by, construed and enforced in accordance with the laws of the State of Illinois, including, without limitation, those laws applicable to contracts made and to be performed in the State of Illinois, without however giving effect to the conflict of laws provisions thereof.

Section 13. No Recourse. No recourse shall be had for the payment of the principal of or premium, if any, or interest on any of the Notes or for any claim based thereon or upon any obligation, covenant or agreement contained in or authorized or approved by, this Ordinance or any agreement authorized by this Ordinance, against any past, present or future president, commissioner or other officer, director, member, employee or agent of the District, or any officer, commissioner, director, member, trustee, employee or agent of any successor public corporation or body politic, as such, either directly or through the District or any successor public corporation or body politic, 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, commissioners, directors, trustees, members, employees or agents, as such, is hereby expressly waived and released as a condition of and consideration for the issuance and delivery of any of the Notes.

Section 14. Ordinance to Constitute a Contract. The provisions of this Ordinance shall constitute a contract between the District and the registered owners of the Notes. Any pledge made in this Ordinance with respect to the Notes and the provisions, covenants and agreements herein set forth to be performed by or on behalf of the District shall be for the equal benefit, protection and security of the owners of any and all of the Notes. All of the Notes, regardless of the time or times of their issuance, shall be of equal rank without preference, priority or distinction of any of the Notes over any other thereof except as expressly provided in or pursuant to this Ordinance. This Ordinance shall constitute full authority for the issuance of the Notes and to the extent that the provisions of this Ordinance, conflict with the provisions of any other Ordinance

or resolution of the District, the provisions this Ordinance shall control. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

In this Ordinance, reference to any officer of the District includes any person holding such office in an acting capacity or on an interim basis.

Section 15. Publication. The Secretary is hereby authorized and directed to publish this Ordinance in pamphlet form and to file copies thereof for public inspection in the office of the Secretary.

Section 16. Effective Date. This Ordinance shall become effective upon its adoption.

Adopted this 10th day of April, 2019, by roll call vote as follows:

Ayes: Commissioners: M. Laird Koldyke, Donald Edwards, Tim King,
Ashley Hemphill Netzky and President Avis LaVelle-5

Nays: None-0

Absent: Vice President David Helfand-1

Published in pamphlet form: April 16, 2019

(SEAL)

Attest:


Secretary

CERTIFICATE

I, Kantrice Ogletree, Secretary of the Chicago Park District, hereby certify that the foregoing ordinance entitled: "Ordinance Authorizing the Issuance of Not to Exceed \$50,000,000 Bond Anticipation Notes of the Chicago Park District," is a true copy of an original ordinance that was duly adopted by the recorded affirmative votes of a majority of the members of the Board of Commissioners of the District at a meeting thereof that was duly called and held at 11:30 a.m. on April 10, 2019, in the Eighth Floor Conference Room of the Chicago Park District Headquarters, 541 North Fairbanks, in the City of Chicago, Illinois, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance published in pamphlet form on April 16,, 2019 and recorded in the Ordinance Book of the District and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

I further certify that the agenda for said meeting included the ordinance as a matter to be considered at the meeting and that said agenda was posted at least 48 hours in advance of the holding of the meeting in the manner required by the Open Meetings Act, 5 Illinois Compiled Statutes 120 and was continuously available for public review during the 48 hour period preceding the meeting.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, this 16th day of April, 2019.

(SEAL)


Secretary

or resolution of the District, the provisions this Ordinance shall control. If any section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

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IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the District, this _____ day of _____, 2019.

(SEAL)

Secretary