

ORDINANCE NO. 13-13

AN ORDINANCE AUTHORIZING THE ISSUANCE OF A CAPITAL IMPROVEMENT REVENUE BOND (NEXUS DIVERSIFIED COMMUNITY SERVICES PROJECT), SERIES 2013, OF THE VILLAGE OF MANTENO, KANKAKEE COUNTY, ILLINOIS; AUTHORIZING THE ISSUANCE OF THE BOND; PROVIDING FOR THE PLEDGE OF REVENUES FOR THE PAYMENT OF THE BOND; AUTHORIZING A LOAN AGREEMENT AND A PLEDGE AGREEMENT APPROPRIATE FOR THE PROTECTION AND DISPOSITION OF SUCH REVENUES AND TO FURTHER SECURE THE BOND; AND AUTHORIZING OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF THE BOND

WHEREAS, the Village of Manteno, Illinois, a political subdivision and body politic duly organized and validly existing under the laws of the State of Illinois (the “**Issuer**”), is authorized and empowered by The Industrial Project Revenue Bond Act (65 ILCS 11-74- 1 *et seq.*), as supplemented and amended, including by the Illinois Bond Replacement Act and the Registered Bond Act (collectively, the “**Enabling Act**”), among other things (a) to make loans to finance and refinance the acquisition, construction, installation and equipping of “**capital projects**” constituting “**industrial projects**” under the Enabling Act, (b) to issue and sell its industrial development revenue bonds to provide moneys for such a loan and (c) to enact this ordinance and execute and deliver the related agreements, documents and instruments hereinafter identified; and

WHEREAS, the Issuer hereby determines that to finance (i) the acquisition, construction and installation of land, buildings, furniture, fixtures and equipment for a children’s living facility to accommodate up to 112 children and to be located at 455 Grove, Manteno, Illinois, (ii) the renovation of the existing Indian Oaks facility located at 101 Bramble Lane, Manteno, Illinois (collectively, the “**Project**”), and (iii) pay the costs of issuing the Bond, will create and preserve jobs and employment opportunities and promote the health and economic welfare in the State of Illinois, and that the Issuer, through the issuance of its Capital Improvement Revenue Bond (Nexus Diversified Community Services Project), Series 2013 (the “**Bond**”) in not to exceed the aggregate principal amount of \$10,000,000, will be acting in the manner consistent with and in furtherance of the provisions of the Enabling Act.

NOW, THEREFORE, BE IT ORDAINED by the Village President and Board of Trustees of the Village of Manteno, Kankakee County, Illinois, as follows:

Definitions. All defined terms used herein and those not otherwise defined herein shall have the respective meanings given to them in the Loan Agreement with respect to the Bond (the “**Agreement**”) by and among the Issuer, Nexus Diversified Community Services (the “**Borrower**”), and Bremer Bank, National Association (the “**Lender**”).

Any reference herein to the Issuer, Corporate Authority, the Village President, the Village Board, the Village Clerk (which term herein shall mean and include a “**deputy**” or

“**acting**” Village Clerk, as the case may be), the Village Treasurer, or to any officers or other members thereof, shall include those which succeed to their functions, duties or responsibilities pursuant to or by operation of law or who are lawfully performing their functions.

Unless the context shall otherwise indicate, words importing the singular number shall include the plural number, and vice versa, and the terms “**hereof**”, “**hereby**”, “**hereto**”, “**hereunder**”, and similar terms, mean this ordinance.

Determinations of Issuer. The Village President and Board of Trustees (the “**Corporate Authority**”) hereby makes certain determinations, as follows: (a) pursuant to the Enabling Act the Project constitutes a “**capital project**” and therefore a qualifying “**industrial project**”, and is consistent with the provisions of the Enabling Act; and (b) the Issuer hereby affirms its intent to finance the Project; and (c) the Issuer designates the Bond as a “**qualified tax-exempt obligation**” under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended (the “**Code**”). The Issuer, after publishing notice of the public hearing on August 8, 2013, held and conducted the public hearing on September 3, 2013, and by this ordinance approves and authorizes the issuance of the Bond.

This shall also constitute “**reimbursement**” action under Section 1.150-2 of the Income Tax Regulations.

Authorization of Bond. It is hereby determined to be necessary to, and the Issuer shall, issue, sell and deliver, as provided herein and pursuant to the authority of the Enabling Act, the Bond for the purpose of financing the Project, including authorized costs incidental thereto, all in accordance with the provisions of the Agreement. The Bond shall each be designated: “**Capital Improvement Revenue Bond (Nexus Diversified Community Services Project), Series 2013**”. The aggregate maximum principal amount of the Bond to be issued hereunder and under the Agreement is not to exceed \$10,000,000.

Terms and Execution of the Bond. The Bond shall be issued in the form and denomination, shall mature and bear interest, shall be numbered, dated and payable as provided in the Agreement. The Bond shall be amortized over not to exceed a 35-year period and mature or come due at the times, in the manner and with the effect and have such terms, bear interest at the applicable rate or rates per annum (subject to any rate limitation under applicable law), fixed or variable, and be subject to mandatory and optional redemption and put options, all to be as provided in the Agreement. The Corporate Authority hereby authorizes the rate or rates in effect from time to time on the Bond in the manner and pursuant to the provisions of the Agreement. The Bond shall be executed on behalf of the Issuer by the manual or facsimile signatures of the Village President and Village Clerk, under the Issuer’s seal (or a facsimile thereof). In case any officer whose signature or a facsimile thereof shall appear on the Bond shall cease to be such officer before the issuance or delivery of the Bond, such signature or facsimile thereof shall nevertheless be valid and sufficient for all purposes, the same as if the officer had remained in office until after that time.

The form of the Bond as set forth in the Agreement, subject to appropriate insertions and revisions unique to such series and in order to comply with the provisions of the Agreement and the Enabling Act, is hereby approved, and when the same shall be executed

on behalf of the Issuer by the appropriate officers thereof in the manner contemplated hereby and by the Agreement, in an aggregate principal amount of not to exceed \$10,000,000, shall represent the approved form of the Bond of the Issuer.

Sale of the Bond. The Bond are being sold through a private placement, as arranged by the Borrower, pursuant to the Agreement, to Bremer Bank (with authorization for participants or co-purchasers or alternate or other purchasers consistent with applicable securities laws) at the purchase price set forth, and on the terms and conditions described, in the Agreement. The appropriate officers of the Issuer are authorized and directed to make on behalf of the Issuer the necessary arrangements to establish the date, location, procedure and conditions for the delivery of the Bond to the Lender, and to take all steps necessary to effect due execution and delivery to the Lender of the Bond (or typewritten Bond delivered in lieu of a definitive Bond, as the case may be) under the terms of this ordinance, and the Agreement. It is hereby determined that the price for and the terms of the Bond, and the sale thereof, all as provided in the Agreement, are in the best interests of the Issuer.

Arbitrage Provisions. The Bond will be restricted, or caused to be restricted, and the proceeds of the Bond used, in such manner and to such extent, as may be necessary, after taking into account reasonable expectations at the time the Bond are delivered to the Lender, so that it will not constitute an arbitrage bond under Section 148 of the Code. The Village President, Village Clerk, Village Treasurer or any other officer having responsibility with respect to the issuance of the Bond, is authorized and directed, alone or in conjunction with the Borrower or any officer, employee, consultant or agent of the Borrower, to deliver a certificate for inclusion in the transcript of proceedings for the Bond, setting forth the facts, estimates and circumstances and reasonable expectations pertaining to Section 148 of the Code and regulations thereunder. In its performance of these covenants, and other covenants of the Issuer pertaining to federal income tax laws, the Issuer may rely upon the written advice of nationally recognized bond counsel.

Authorization of Agreement, Pledge Agreement and Related Documents to be Executed by the Issuer. In order to better secure the payment of the principal of, premium, if any, and interest on the Bond as the same shall become due and payable, the Village President, Village Clerk, Village Treasurer or other officers, under the Issuer's seal, as the case may be, are authorized and directed to execute, acknowledge and deliver in the name and on behalf of the Issuer, the Agreement and the Pledge Agreement in substantially the forms submitted to the Issuer at the meeting of the Corporate Authority at which this ordinance is adopted, which are hereby approved, with such changes therein not inconsistent with this ordinance and not substantially adverse to the Issuer, as may be permitted by the Enabling Act and approved by the officers executing the same on behalf of the Issuer. The approval of such changes by such officers, and provided that they are not substantially adverse to the Issuer, shall be conclusively evidenced by the execution of such Agreement and Pledge Agreement by such officers.

The Issuer has not confirmed, and assumes no responsibility for, the accuracy, sufficiency or fairness of any representations, statements, reports, financial information, offering or disclosure documents or other information submitted to the Lender relating to the Bond, the Project, the Borrower or the history, businesses, properties, organization,

management, financial condition, market area or any other matter relating to the Borrower or the Project.

The Village President, Village Clerk, Village Treasurer and other appropriate officers of the Issuer are each hereby separately authorized to take any and all actions and to execute such financing statements, assignments, certificates and other instruments that may be necessary or appropriate in the opinion of Bond Counsel, in order to effect the issuance of and security for the Bond and the intent of this ordinance and the Agreement. The Village Clerk, or other appropriate officer of the Issuer, shall certify a true transcript of all proceedings had with respect to the issuance of the Bond, along with such information from the records of the Issuer as is necessary to determine the regularity and validity of the issuance of the Bond.

Covenants of Issuer. In addition to other covenants of the Issuer in this ordinance, the Issuer further covenants and agrees as follows:

Payment of Principal, Premium and Interest. The Issuer will, solely from the special and limited sources described herein or in the Agreement, and not otherwise, pay or cause to be paid the principal of, premium, if any, and interest on the Bond on the dates, at the places, in the manner and with the effect provided herein, in the Agreement and Pledge Agreement and in the Bond.

Performance of Covenants, Authority and Actions. The Issuer will at all times observe and perform all agreements, covenants, undertakings, stipulations and provisions contained in the Bond and Pledge Agreement and Agreement, and in all proceedings of the Issuer pertaining to the Bond. The Issuer warrants and covenants that it is, and upon delivery of the Bond will be, duly authorized by the laws of the State of Illinois, including particularly and without limitation the Enabling Act, to issue the Bond and to execute the Agreement and the Pledge Agreement, and all other documents to be executed by it, to provide for the security for payment of the principal of, premium, if any, and interest on the Bond in the manner and to the extent herein and in the Agreement set forth; that all actions on its part for the issuance of the Bond and execution and delivery of the Agreement, the Pledge Agreement and all other documents to be executed by it in connection with the issuance of the Bond, have been or will be duly and effectively taken; and that the Bond will be the valid and enforceable special and limited obligation of the Issuer according to the terms thereof. Each provision of this ordinance, the Agreement, the Pledge Agreement and the Bond, and all other documents to be executed by the Issuer in connection with the issuance of the Bond, is binding upon each officer of the Issuer as may from time to time have the authority under law to take such actions as may be necessary to perform all or any part of the duty required by such provision; and each duty of the Issuer and of its officers and employees undertaken pursuant to such proceedings for the Bond is established as a duty of the Issuer and of each such officer and employee having authority to perform such duty.

No Personal Liability. No recourse under or upon any obligation, covenant, acceptance or agreement contained in this ordinance, or in the Bond, or in the Agreement or the

Pledge Agreement, or under any judgment which may be obtained against the Issuer or by the enforcement of any assessment or by any legal or equitable proceeding by virtue of any constitution or statute or otherwise, or under any circumstances, shall be had against the Village President, Village Clerk, Village Treasurer, any trustee of the Village Board or any other officer of the Issuer as such, past, present, or future, either directly or through the Issuer, or otherwise, for the payment for or to the Issuer or any receiver thereof, or for or to any owner of the Bond, or otherwise, of any sum that may be due and unpaid by the Issuer upon any of the Bond. Any and all personal liability of every nature, whether at common law or in equity, or by statute or by constitution or otherwise, of any such officer, as such, to respond by reason of any act or omission on his or her part, or otherwise, for, directly or indirectly, the payment for or to the Issuer or any receiver thereof, or for or to the owner or any holder of any Bond, or otherwise, of any sum that may remain due and unpaid upon the Bond, shall be deemed to be expressly waived and released as a condition of and consideration for the execution and delivery of the Agreement, the Pledge Agreement, the issuance of the Bond, and related documents and instruments.

No Debt or Tax Pledge. Anything in this ordinance, the Agreement, the Bond or any other agreement or instrument to the contrary notwithstanding, neither this ordinance, the Bond, the Agreement nor the Pledge Agreement shall represent or constitute a debt or pledge of the faith and credit of the taxing power of the Issuer or the State of Illinois or other political subdivision thereof, and the Bond shall contain therein a statement to that effect.

Severability. 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.

Open Meetings. The Corporate Authority hereby finds and determines that all actions relative to the adoption of this ordinance were taken in open meetings of the Corporate Authority, and that all deliberations of the Corporate Authority and of its committees, if any, which resulted in formal action, were in meetings open to the public and otherwise in full compliance with applicable law, including the Open Meetings Act (5 ILCS 120/1 *et seq.*).

Compliance with IRC Section 147(f). For purposes of complying with Section 147(f) of the Code, the Corporate Authority hereby approves the issuance of the Bond up to the maximum aggregate principal amount of \$10,000,000 to be loaned to the Borrower for financing and refinancing the Project.

Effective Date. This ordinance shall take effect and be in force immediately upon its adoption and approval as provided by law.

Upon motion by Trustee Gesky, seconded by Trustee Dole, adopted this 3rd day of September, 2013, by roll call vote (all in physical attendance), as follows:

Voting "yes" (names): Boyce, Martin, Dole, Gesky, Phillips

Voting "no" (names): _____

Absent (names): Crockett

DEPOSITED with the Village Clerk
this 3rd day of September, 2013.

Alisa Blanchette by Paula Hurley
ALISA BLANCHETTE, Village Clerk

APPROVED by me this 3rd
day of September, 2013.

Timothy O. Nugent
TIMOTHY O. NUGENT, Village President

STATE OF ILLINOIS)
) SS.
THE COUNTY OF KANKAKEE)

CERTIFICATION OF ORDINANCE

I, the undersigned, do hereby certify that I am the duly elected, qualified and acting Village Clerk of the Village of Manteno, Illinois, a political subdivision and body politic duly organized and validly existing under the laws of the State of Illinois (the “**Issuer**”), and as such official I am the keeper of the records and files of the Issuer and of the Issuer’s Village President and Board of Trustees (the “**Corporate Authority**”).

I do further certify that the attached ordinance constitutes a full, true and correct excerpt from the proceedings of the meeting of the Issuer’s Corporate Authority held on September 3, 2013, insofar as same relates to the adoption of Ordinance No. 13- 13, entitled:

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a true, correct and complete copy of which ordinance as adopted at such meeting appears in the minutes of such meeting and is hereto attached. Such ordinance was adopted and approved on the date and as therein set forth.

I do further certify that the deliberations of the Corporate Authority on the adoption of the above ordinance were taken openly, that the vote on the adoption of such ordinance was taken openly, that such meeting was held at a specified time and place convenient to the public, that notice of such meeting was duly given to all of the news media requesting such notice, that the agenda for the meeting was duly posted at the Village Building at least 48 hours prior to the meeting; that such meeting was called and held in strict compliance with the provisions of the open meetings laws of the State of Illinois, as amended, and that the Corporate Authority has complied with all of the applicable provisions of such laws and such Act and their procedural rules in the adoption of such ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the Village of Manteno, Illinois, this 3rd day of September, 2013.

(SEAL)

Alisa Blanchette by Darla Henley, Deputy
ALISA BLANCHETTE, Village Clerk