

July 21, 1975

MINUTES of a _____ public meeting of the City Council of the City of Urbana, Champaign County, Illinois, held at 4005 Vine (City Council Chambers) in said City, at 7:30 o'clock P.M., on the 21 day of July, 1975.

* * *

The Mayor called the meeting to order and directed the City Clerk to call the roll.

Upon the roll being called, the following answered present: Hiram Paley, Mayor, and City Council members: Barr, Bekestein, Brokens, Eighmey, Finch, Hunt, Lorch, Markland, Peterson, Stabe and Wascher - 11

The following were absent: Holshouser, Harris and Moore

Member _____ presented, and the City Clerk read in full an ordinance as follows:

ORDINANCE NO. 7576-5A

AN ORDINANCE setting forth the determination by the City Council of the City of Urbana, Champaign County, Illinois, that it is in the public interest to assist hospitals and other not-for-profit health care organizations in financing hospital and health care facilities, and prescribing the procedures to be followed in the issuance of revenue bonds by the City for such purpose.

* * *

WHEREAS, Section 6(a) of Article VII of the 1970 Constitution of Illinois provides that "any municipality which has a population of more than 25,000 (is) a Home Rule Unit", and the City of Urbana, Champaign County, Illinois (the "City"), has a population in excess of 25,000 and is therefore a Home Rule Unit and may under the powers granted by Section 6(a) of Article VII "exercise any power and perform any function pertaining to its government and affairs..."; and

WHEREAS, the City Council has heretofore found and does hereby find that it is necessary and in the interests of the public health and the welfare of the residents of the City to use the powers granted to the City by said Section of the 1970 Constitution to authorize the issuance of bonds by the City so that the City may assist not-for-profit hospitals and other not-for-profit health care organizations in building, maintaining and improving hospital and health care facilities for the benefit of the residents of the City; and

WHEREAS, the issuance of revenue bonds by the City to finance in whole or in part the cost of acquiring, purchasing, constructing, reconstructing, improving, equipping, bettering or extending of any hospital or health care facility in order to provide improved health care for the residents of the City is for a public purpose and is a function pertaining to the government and affairs of the City; and

WHEREAS, the establishment of basic procedures for the issuance of such revenue bonds is necessary and desirable to provide clarity in law and direction for subsequent actions:

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS, AS FOLLOWS:

Section 1. Short Title. This ordinance may be referred to as the City of Urbana Hospital and Health Care Facility Revenue Bond Enabling Ordinance.

Section 2. Definitions. Whenever used in this ordinance, unless a different meaning clearly appears from the context:

(1) "Bond Ordinance" means an ordinance authorizing a specific issue of bonds adopted by the City Council of the City in accordance with the policies and procedures set forth in this ordinance.

(2) "City" means the City of Urbana, Champaign County, Illinois.

(3) "Health Care Facility" means any property of any kind having to do with providing hospital or health care services and which is located within the City or within 10 miles thereof, but not within any other city, village or incorporated town.

(4) "Health Care Organization" means any corporation organized under the Illinois General Not for Profit Corporation Act which renders hospital or health care services.

(5) "Project" means the acquisition, construction, reconstruction, repair, alteration, improvement or extension of a Health Care Facility.

(6) "Project Costs" means and includes the sum total of all reasonable or necessary costs incidental to the Project including without limitation, the cost of studies and surveys; plans, specifications, architectural and engineering services; the provision of funds for the purpose of redeeming, retiring or otherwise paying any outstanding indebtedness of any Health Care Organization incurred for the purpose

of acquiring, constructing, reconstructing, repairing, altering, improving or extending a Health Care Facility which is located within the City or within 10 miles thereof, but not within any other city, village or incorporated town; legal, marketing or other special services, financing, acquisition, demolition, construction, equipment and site development of new and rehabilitated buildings, rehabilitation, reconstruction, repair or remodeling of existing buildings and all other necessary and incidental expenses including a reasonable initial bond and interest reserve, together with interest on bonds issued to finance a Project to a date six (6) months subsequent to the estimated date of completion.

Section 3. Legislative Declaration of Purpose. It is hereby determined and declared that the purpose of this ordinance is to provide a financing device which will aid in financing the cost of Projects; and the same is hereby declared and determined to be a public purpose and function pertaining to the government and affairs of the City.

Section 4. Additional Powers. In addition to powers which it may now have, the City shall have the power under this ordinance:

(1) To construct, acquire by gift, purchase or lease, to reconstruct, improve, better or extend and to finance one or more Projects, whether or not now or hereafter in existence, and if desirable, to acquire by gift, purchase or lease lands or rights in land in connection with any Project.

(2) To issue its revenue bonds to defray in whole or in part the Project Costs of any Project which bonds shall be issued pursuant to a Bond Ordinance authorizing the same.

(3) To enter into leases or other agreements with any Health Care Organization in order to secure the City's revenue bonds, provided, however, that any such lease or other agreement must provide that such Health Care Organization shall pay to, for or on behalf

of the City an amount sufficient to pay principal, interest, redemption premiums and all other costs in connection with the City's revenue bonds so that such bonds will never constitute an indebtedness of the City or a loan of its credit within the meaning of any constitutional or statutory provision.

(4) To pledge to the punctual payment of such bonds, the interest thereon, and the redemption premiums, if any, the revenue and receipts to be received pursuant to such leases or other agreements.

(5) To mortgage the Health Care Facility in favor of the holder or holders of bonds issued therefor.

(6) To sell and convey such Health Care Facility, including without limitation, the sale and conveyance thereof subject to a mortgage, if any, as provided in this ordinance, for such price at such time as the City Council of the City may determine. However, no sale or conveyance of such Health Care Facility shall ever be made in such manner as to impair the rights or interests of the holder or holders of any bonds issued hereunder.

(7) To issue its bonds to refund in whole or in part, bonds theretofore issued by the City under the authority of this ordinance.

Section 5. Exercise of Powers - Bonds. The exercise of all powers granted by this ordinance shall be authorized, and such bonds shall be authorized by the Bond Ordinance which may be adopted at the same meeting at which it is introduced and shall take effect immediately upon adoption.

The bonds shall bear interest at such rate or rates, payable at such times, may be in one or more series, may bear such date or dates, may mature at such time or times not exceeding 40 years

from their respective dates, may be payable in such medium of payment at such place or places, may carry such registration privileges, may be subject to such terms of redemption at such premiums, may be executed in such manner, may contain such terms, covenants and conditions, and may be in such form, either coupon or registered, as the Bond Ordinance may provide or as may be subsequently determined by the City Council before the bonds are issued. The bonds may be sold at public or private sale in such manner and upon such terms as may be deemed advisable by the City Council of the City. The bonds shall be deemed to be securities and negotiable instruments within the meaning and for all purposes of the "Uniform Commercial Code".

Section 6. Title to the Health Care Facility. It shall not be necessary for the City to own or acquire any Health Care Facility or part thereof financed hereunder.

Section 7. Covenants in Bonds. Any Bond Ordinance may contain covenants as to (a) the use and disposition of the revenues and receipts from the lease or other agreement or the Health Care Facility for which the bonds are to be issued, including the creation and maintenance of reserves; (b) the issuance of other or additional bonds relating to the Health Care Facility or any rehabilitation, improvements, renovations, enlargements or additions thereto; (c) the maintenance and repair of such Health Care Facility; (d) the insurance to be carried thereon and the use and disposition of insurance moneys; (e) the appointment of any bank or trust company within or outside the State of Illinois, having the necessary trust powers as trustee for the benefit of the bondholders, paying agent and bond registrar; (f) the investment of any funds held by such trustee; and (g) the terms and conditions upon which the holders of the bonds or any portion thereof or any trustees therefor, are entitled to the appointment of a receiver. The Bond Ordinance may provide that the

principal of and interest on the bonds shall be secured by a mortgage or indenture of trust covering such Health Care Facility for which the bonds are issued and may include any improvements or extensions thereafter made. Such mortgage or indenture of trust may contain such covenants and agreements to properly safeguard the bonds as may be provided for in the Bond Ordinance and shall be executed in the manner provided for in the Bond Ordinance. The provisions of this ordinance and the Bond Ordinance and any such mortgage or indenture of trust shall constitute a contract with the holder or holders of the bonds and continue in effect until the principal of, the interest on, and the redemption premiums, if any, on the bonds so issued have been fully paid, or until provision for payment shall have been made as provided in the Bond Ordinance, and the duties of the City and its corporate authorities and officers under this ordinance and any Bond Ordinance and any such mortgage or indenture of trust shall be enforceable by mandamus, foreclosure of any such mortgage or indenture of trust or other appropriate suit, action or proceedings in any court of competent jurisdiction, in the manner and subject to the terms of such Bond Ordinance, mortgage or indenture of trust.

Section 8. Signatures of Officers on Bonds - Validity of

Bonds. The bonds shall bear the original or facsimile signatures of such officers of the City as may be designated in the Bond Ordinance and such signatures shall be the valid and binding signatures of such officers, notwithstanding that before the delivery thereof and payment therefor any or all of the persons whose signatures appear thereon have ceased to be officers of the City. The validity of the bonds is not dependent on nor affected by the validity or regularity of any proceedings relating to the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment, or extension of the Health Care

Facility for which the bonds are issued. The Bond Ordinance may provide that the bonds shall contain a recital that they are issued pursuant to this ordinance, which recital shall be conclusive evidence of their validity and of the regularity of their issuance.

Section 9. Liability for Bonds. All bonds issued under and pursuant to this ordinance shall be limited obligations of the City payable solely out of the revenues and receipts derived from such lease or other agreement. No holder of any bond issued under this ordinance has the right to compel any exercise of the taxing power of the City to pay the bonds, the interest or premium, if any, thereon, and the bonds shall not constitute an indebtedness of the City or a loan of the credit thereof within the meaning of any constitutional or statutory provision.

Section 10. Exemption from Construction and Bidding Requirements for Public Buildings. The acquisition and construction of a Project shall not be subject to any requirement of competitive bidding or restriction imposed on the procedure for award of contracts for such purpose or the lease, sale or other disposition of property of the City is not applicable to any action taken under authority of this ordinance.

Section 11. Employment Agreement. Prior to the adoption of any Bond Ordinance, the City and the Health Care Organization on whose behalf the bonds are being issued, shall agree in writing to an affirmative action program requiring the Health Care Organization to maintain specific employment practices and policies sufficient to enable the organization to achieve equal employment opportunity for all persons regardless of race, color, creed, national origin, sex or age.

Section 12. Powers Conferred as Additional and Supplemental - Limitations Imposed - Effect. The powers conferred by this ordinance are in addition and supplemental to, and the limitations imposed by this ordinance shall not affect the powers conferred by any law or any other ordinance. Health Care Facilities may be acquired, purchased, constructed, reconstructed, improved, bettered, equipped, extended and financed, and bonds may be issued under this ordinance for such purposes, notwithstanding that any law or any other ordinance may provide for the acquisition, purchase, construction, reconstruction, improvement, equipping, betterment, extension and financing of a like Project, or the issuance of bonds for like purposes, and without regard to the requirements, restrictions, limitations or other provisions contained in any law or any other ordinance.

Section 13. Severability Clause. The provisions of this ordinance are severable and if any of its provisions or any sentence, clause or paragraph shall be held unconstitutional by any court of competent jurisdiction, the decision of such court shall not affect or impair any of the remaining provisions.

Section 14. Effective Date. That this ordinance shall be in full force and effect from and after its passage and approval.

Section 15. Compliance with "Hill-Burton" Requirements. Any Health Care Organization availing itself of this Enabling Ordinance shall comply with all regulations imposed from time to time by the government of the United States of America in connection with grants under the so-called "Hill-Burton" Act, whether or not such Health Care Organization is receiving any such grants at that time.

PASSED by the City Council of the City of Urbana, Champaign County, Illinois, this 21st day of July, 1975.

APPROVED by the Mayor of the City of Urbana, Champaign County, Illinois, this 4 day of August, 1975.

Frank Paly
Mayor, City of Urbana, Champaign
County, Illinois

Attest:

Dream P. Kelly
City Clerk, City of Urbana,
Champaign County, Illinois

AYES: *Barr, Behnstein, Brookens, Eghrey,*
Surt, Lyned, Markland,

NAYS: *Peterson, Finch, Wascher & Stake*
Alderswoman Holstausen and Aldermen
Harris & Moore were absent.

Member Lynch moved and Member Eighmey seconded the motion that said ordinance as presented and read by the City Clerk be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt said ordinance as read.

Upon the roll being called, the following Members voted AYE: Barr, Bekenstein, Brodus, Eighmey, Hurt, Lynch & Merkland

The following Members voted NAY: Peterson, Finch, Wascher & State

Whereupon the Mayor declared the motion carried and the ordinance adopted, and did direct the City Clerk to record the same in the records of the City Council of the City of Urbana, Champaign County, Illinois.

Other business not pertinent to the adoption of said ordinance was duly transacted at said meeting.

Upon motion duly made and seconded, the meeting was adjourned.

Thomas E. Kelly
City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF CHAMPAIGN)

I, Prune Eckert, do hereby certify that I am the duly qualified and acting City Clerk of the City of Urbana, Champaign County, Illinois, and as such official I am the keeper of the records and files of the City Council of said City.

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the legally convened meeting of the City Council of said City held on the 21 day of July, 1975, insofar as same relates to the adoption of an ordinance entitled "AN ORDINANCE setting forth the determination by the City Council of the City of Urbana, Champaign County, Illinois, that it is in the public interest to assist hospitals and other not-for-profit health care organizations in financing hospital and health care facilities, and prescribing the procedures to be followed in the issuance of revenue bonds by the City for such purpose", a true, correct and complete copy of which said 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 City Council 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; and that said meeting was called and held in strict accordance with the provisions of "AN ACT in relation to meetings", approved July 11, 1957, as amended, and that said City Council has complied with all of the applicable provisions of said Act and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said City at Urbana, Illinois, this 23 day of July, 1975.

Prune Eckert
City Clerk, City of Urbana,
Champaign County, Illinois.

(SEAL)