

# County Board Meeting

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## Agenda Items - Distributed March 18, 2021

<u>Agenda Items</u>	<u>Page #</u>
<b>XIII. <u>Old Business</u></b>	
A. Adoption of Ordinance No. 2021-3 establishing a Property Assessed Clean Energy (PACE) area and establishing a PACE program ( <i>updated</i> )	1-24
<b>XIV. <u>New Business – Action Items</u></b>	
D. Regional Planning Commission	25-33
1. Adoption of Resolution No. 2021-120 authorizing a short-term loan from the General Fund to Regional Planning Commission Funds	34-35
2. Adoption of Ordinance No. 2021-4 providing for the issuance of a Taxable General Obligation Promissory Note in an amount not to exceed \$3,300,000 for the purpose of providing funds to the Champaign County Regional Planning Commission to finance certain operating expenses, providing for the security for and payment of said note, and authorizing the sale of said note to the purchaser thereof	36-48

**ORDINANCE NO. 2021-3**  
**AN ORDINANCE ESTABLISHING A PROPERTY ASSESSED CLEAN ENERGY (PACE) AREA AND ESTABLISHING A PACE PROGRAM**

**WHEREAS**, Champaign County, a County duly organized and validly existing under the Constitution and the laws of the State of Illinois (the “County”), is a non-home rule unit of local government of the State of Illinois authorized pursuant to the Property Assessed Clean Energy Act, 50 ILCS 50/1 et seq., as amended (the “PACE Act”) to establish a property assessed clean energy program (the “PACE Program”), create a PACE area (as defined in the PACE Act) and facilitate access to private, third party financing through a special assessment (as defined in the PACE Act); and

**WHEREAS**, PACE creates a mechanism for commercial property owners to finance energy efficiency, water efficiency, renewable energy, and other improvements authorized by the PACE act through a private lender that is secured and repaid through the property tax bill as a voluntary special assessment, and the assessment stays with the property rather than any individual; and

**WHEREAS**, the PACE Act states that a program such as the PACE Program may be administered by a program administrator (as defined in the PACE Act);

**WHEREAS**, the County now desires to establish the PACE area as the entirety of the corporate limits of Champaign County and to establish the PACE Program as further described herein and in the Program Report and Implementation Plan (Exhibit A); and

**WHEREAS**, the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “Authority”), is authorized to issue PACE bonds (as defined in the PACE Act) to finance or refinance energy projects in accordance with the PACE Act and pursuant to subsection (d) of Section 825-65 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the “Authority Act”); and

**NOW, THEREFORE, BE IT ORDAINED BY THE COUNTY OF CHAMPAIGN, ILLINOIS, AS FOLLOWS:**

**Section 1. Incorporation of the Recitals.** The County hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and are hereby incorporated by reference thereto and are made a part hereof.

**Section 2. Designation of the Program Administrator.** The County intends to contract for the services of a Program Administrator for the PACE Program on the terms and pursuant to the conditions set forth in an agreement for services between the County Executive of Champaign County and the Program Administrator who meets the statutory requirements and is selected by a competitive process, who develops a voluntary assessment contract with property owners; and who will work with lenders that will provide capital for a commercial or industrial loan that will be payable through the County’s property tax billing process; and

**Section 3. Report of the Program Administrator; Creation of PACE Area.**

The County hereby finds as follows:

a. The financing or refinancing of energy projects is a valid public purpose and serves an essential governmental function;

b. The County intends to facilitate access to capital from the Program Administrator approved by the County or as otherwise permitted by the PACE Act, to provide funds for energy projects which will be repaid by assessments on the property (as defined in the PACE Act) benefitted with the agreement of the record owners (as defined in the PACE Act) of such property;

c. A description of the territory within the PACE area, the types of energy projects that may be financed or refinanced, and the description of the proposed arrangements for financing the PACE Program through the issuance of PACE bonds under or in accordance with Section 35 of the PACE Act,; are all set forth in the Program Report and Implementation Plan which is attached hereto as Exhibit A (Program Report). The Program Report is hereby incorporated by reference thereto and made a part hereof. The County hereby approves the Program Report and hereby establishes the PACE area as the corporate limits of the County, all as further described in Exhibit B (Description of the PACE Area). The Program Report shall be made available for public inspection in the office of the County Clerk.

**Section 4. No Public Hearing; Program Established.** The County hereby finds that no public hearing shall be required in connection with the adoption or amendment of the PACE Program and hereby establishes the PACE Program in accordance with the Program Report.

**Section 5. Assessment Contract.** A sample form for an “assessment contract” (as defined in the PACE Act) attached as Appendix B to the Program Report is hereby approved by the County. . The County Executive (an “Authorized Officer”) is hereby authorized to approve changes, updates, amendments, modifications, or supplements to the form of the assessment contract as suggested by the Program Administrator to the extent such changes, updates, amendments, modifications or supplements comply with the parameters and requirements set forth in the PACE Act. The County Executive (an “Authorized Officer”) is hereby authorized to negotiate, execute, and deliver one or more assessment contracts with record owners meeting the requirements set forth in the Program Report (each, an “Assessment Contract”) in substantially the form of the Appendix to the Program Report, or as thereafter revised, with such changes, deletions, and insertions as shall be approved by the Authorized Officer and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of such Assessment Contract, and upon execution to record such Assessment Contract in the manner in which deeds are recorded in Champaign County. The execution of such agreements and instruments shall be conclusive evidence of such approval.

**Section 6. Additional Actions.** The Authorized Officer is hereby authorized:

i. to approve the form of Program Handbook of the Program Administrator (as defined in the Program Report) setting forth certain additional

requirements, procedures, and descriptions relating to the PACE Program and to negotiate, execute, and deliver such other supporting documents as may be necessary or appropriate to implement the PACE Program;

ii. in connection with the issuance of PACE bonds by the Authority to finance or refinance energy projects in accordance with the PACE Act and pursuant to subsection (d) of Section 825-65 of the Authority Act, to negotiate, execute, and deliver one or more agreements assigning to the Authority an Assessment Contract securing such PACE bonds; and

iii. to approve changes, updates, amendments, modifications or supplements to the Program Report to the extent such changes, updates, amendments, modifications or supplements comply with the parameters and requirements set forth in the PACE Act.

**Section 7. Enactment.** The provisions of this Ordinance are hereby declared to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity or enforceability of the remainder of the sections, phrases and provisions hereof. All ordinances, orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Ordinance shall take effect and be in full force immediately upon its adoption.

This Ordinance shall become effective upon its passage and approval.

**EXHIBIT A**

**CHAMPAIGN COUNTY PROPERTY ASSESSED CLEAN ENERGY (PACE)  
PROGRAM REPORT AND IMPLEMENTATION PLAN**

**Table of Contents**

- A. Purpose and Intent**
- B. Form of Assessment Contract**
- C. Authorized Officials**
- D. Application Process and Participant Eligibility**
- E. Method for Determining Interest Rates**
- F. Process for Billing**
- G. Finance Plan**
- H. Program Fees**
- I. Term**
- J. Ratio**
- K. Mortgage Holder Consent**
- L. Marketing and Participant Education**
- M. Project Eligibility**

**Appendix A – Assessment Contract Application Form**

**Appendix B – Assessment Contract Form**

## **A. Purpose and Intent**

PACE is designed to assist qualifying commercial and industrial properties with financing of energy improvements. The PACE loan from a private lender is paid back through an annual special assessment on the property tax bill. This loan stays with the property and a subsequent owner continues to pay the assessment until the loan is fully paid. Having the PACE special assessment included on the tax bill provides greater security in the loan repayment, as it allows the charge to be part of the tax bill and therefore part of the tax lien process if the PACE special assessment goes unpaid.

It is the intent of Champaign County (hereinafter County) to establish a property assessed clean energy program (the “PACE Program”), create a PACE area (as defined in the PACE Act) and facilitate access to private, third party financing through a special assessment with individual, willing property owners in accordance with 50 ILCS 50/20 the Property Assessed Clean Energy Act.

## **B. Form of Assessment Contract**

A sample form for an assessment contract between the governmental unit and record owner governing the terms and conditions of financing and assessment under the program is provided in the Appendix B to this Report.

## **C. Authorized Officials**

The County Executive is authorized to enter into an assessment contract on behalf of the County.

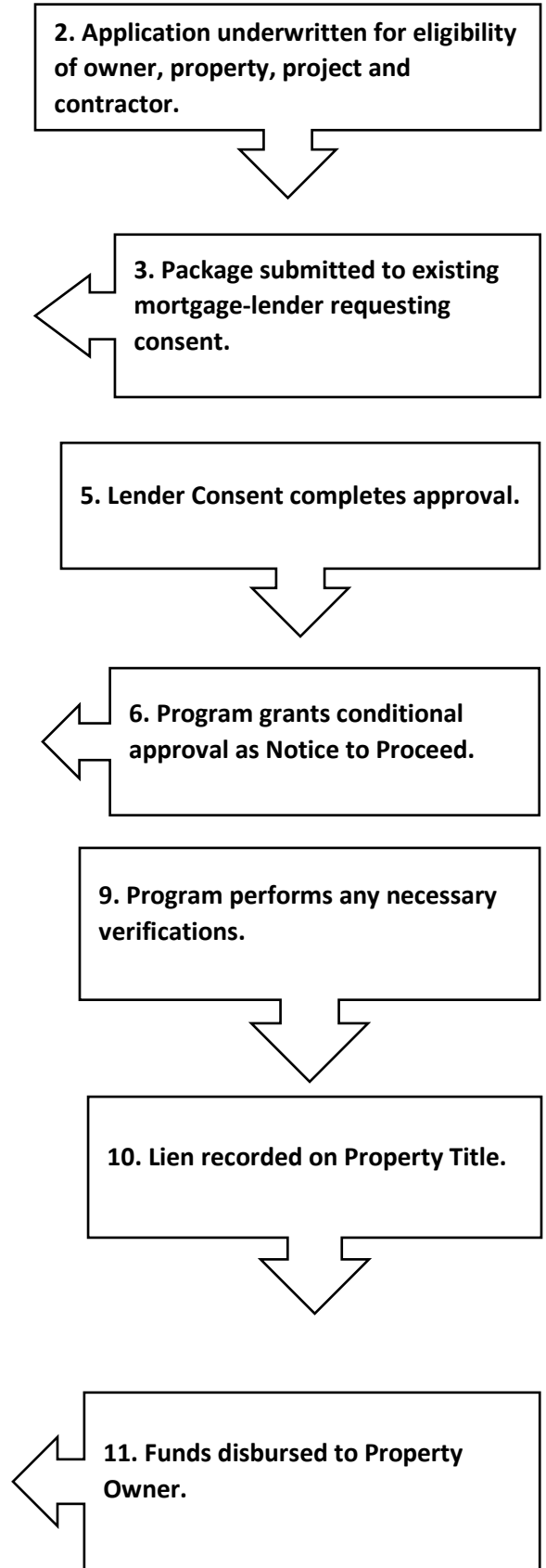
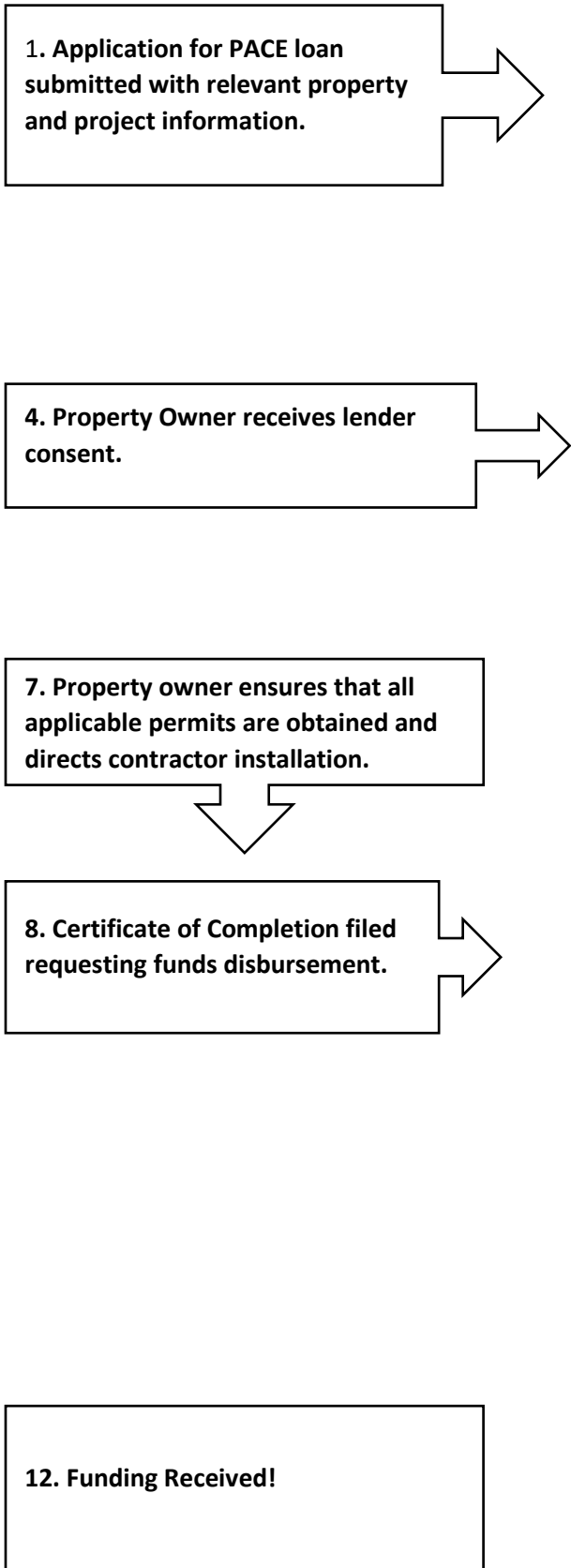
## **D. Application Process and Participant Eligibility**

1. A record owner of property within the PACE area may apply to the County or its Program Administrator to finance or refinance an energy project under the governmental unit's program.
2. The County may impose an assessment under a property assessed clean energy program only pursuant to the terms of a recorded assessment contract with the record owner of the property to be assessed.
3. Before entering into an assessment contract with a record owner under a program, the County or its Program Administrator shall verify that the applicable property is entirely within the PACE area and receive evidence of all of the following:
  - a. that there are no delinquent taxes, special assessments or water or sewer charges on the property;
  - b. that there are no delinquent assessments on the property under a property assessed clean energy program;
  - c. whether there are any involuntary liens on the property, including, but not limited to, construction or mechanics liens, *lis pendens* or judgments against the record owner, environmental proceedings, or eminent domain proceedings;
  - d. that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured;

- e. that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding;
  - f. that all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project shall be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the County or its Program Administrator and described in the Program Report;
  - g. that the contractor or contractors to be used have signed a written acknowledgement that the governmental unit or its Program Administrator will not authorize final payment to the contractor or contractors until the County has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified and is operating as intended; provided, however, that the contractor or contractors retain all legal rights and remedies in the event there is a disagreement with the record owner;
  - h. that the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the greater of any of the following:
    - i. the value of the property as determined by the office of the county Supervisor of Assessments; or
    - ii. the value of the property as determined by an appraisal conducted by a licensed appraiser; and
  - i. that an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted (as defined in the PACE Act) for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality with the procedures set forth in the Program Report.
4. Before entering into an assessment contract with the County, the record owner shall provide to the mortgage holders of any existing mortgages encumbering or otherwise secured by the property a notice of the record owner's intent to enter into an assessment contract with the County, together with the maximum principal amount to be financed or refinanced and the maximum annual assessment necessary to repay that amount, along with an additional request that the mortgage holders of any existing mortgages consent to the record owner subjecting the property to the PACE program. Prior to the execution of an assessment contract, the County shall be provided with a copy or other proof of those notices and the written consent of the mortgage holder for the record owner to enter into the assessment contract which acknowledges that (i) the existing mortgage or mortgages for which the consent was received will be subordinate to the assessment contract and the lien created thereby and (ii) the County or its permitted assignee (as defined in the PACE Act) can foreclose the property if the assessments are not paid.
5. If the record owner has signed a certification that the County has complied with the provisions of this Section, then this shall be conclusive evidence as to compliance with these provisions, but shall not relieve any contractor or the County from any potential liability.

# PROPERTY OWNER

# PROGRAM





## **E. Method for Determining Interest Rates**

As the County will not be directly providing financing, interest rates will be determined by the market and the lender selected by the property owner of record.

## **F. Process for Billing**

1. Assessments created by the County may be billed and collected as required by the PACE Act, or as thereafter amended, which presently provides as follows:
  - a. The County may include assessments in the regular property tax bills of the county. The County collector may bill and collect assessments with the regular property tax bills of the County if requested. If the County collector agrees to bill and collect assessments with the regular property tax bills of the county, then the applicable assessment contract shall be filed with the County collector and the annual amount due as set forth in an assessment contract shall become due in installments at the times property taxes shall become due in accordance with each regular property tax bill payable during the year in which such assessment comes due;
  - b. If the County collector does not agree to bill and collect assessments with the regular property tax bills of the County, then the County shall bill and collect the assessments, either directly or as permitted in paragraph (3) of this subsection, and the annual amount due as set forth in an assessment contract shall become due in installments on or about the times property taxes would otherwise become due in accordance with each regular property tax bill payable during the year in which such assessment comes due; or
  - c. If a governmental unit is billing and collecting assessments pursuant to paragraph (2) of this subsection, assessment installments may be billed and collected by the governmental unit's Program Administrator or another third party.
2. If the County, a Program Administrator, or another third party is billing and collecting assessments pursuant to this section, and the applicable assessment becomes delinquent during any year, the applicable collector shall, on or before the date in such year required by the county in the PACE area is, make a report in writing to the general office of the county in which the applicable property subject to the assessment is situated and authorized by the general revenue laws of this State to apply for judgment and sell lands for taxes due the county and the State, of the assessments or installments thereof the applicable collector has billed for and not received as required under the applicable bill, including any interest or penalties that may be due as set forth in the applicable assessment contract. This report shall be certified by the applicable collector and shall include statements that (i) the report contains true and correct list of delinquent assessments that the collector has not received as required by the applicable bill and (ii) an itemization of the amount of the delinquent assessment, including interest and penalties, if applicable. The report of the applicable collector, when so made, shall be prima facie evidence that all requirements of the law in relation to making the report have been complied with and that the assessments or the matured installments thereof, and the

interest thereon, and the interest accrued on installments not yet matured, mentioned in the report, are due and unpaid. Upon proper filing of such report, at the direction of the governmental unit or its permitted assignee, the county collector shall enforce the collection of the assessments in the manner provided by law.

3. Payment received by mail and postmarked on or before the required due date is not delinquent. From and after the due date of any installment of an assessment, an additional rate of interest of 1 1/2% per month may be imposed with respect to the delinquent amount of such installment, which shall be payable to the applicable governmental unit or other permitted assignee as set forth in the applicable bill.

### **G. Finance Plan**

The County does not intend to issue bonds or directly provide lending. No reserve funds will be used to secure loans or bonds.

### **H. Program Fees**

Appropriate program fees established by the Program Administrator and allowed within PACE Act guidelines will be charged to record owners participating in the program that will be used to finance and reimburse all or a portion of costs incurred by Champaign County as a result of its program.

### **I. Term**

The term of an assessment may not exceed the useful life of the energy project financed or refinanced under an assessment contract; provided that an assessment contract financing or refinancing multiple energy projects with varying lengths of useful life may have a term that is calculated in accordance with the principles established by the program report.

### **J. Ratio**

The County PACE program will establish an appropriate ratio for the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the greater of any of the following:

1. the value of the property as determined by the office of the county Supervisor of Assessments; or
2. the value of the property as determined by an appraisal conducted by a licensed appraiser.

### **K. Mortgage Holder Consent**

The record owner of property subject to a mortgage must obtain written consent from the mortgage holder before participating in the program.

### **L. Marketing and Participant Education**

The Program Administrator shall be primarily responsible for marketing and participant education.

## **M. Project Eligibility**

The following projects are eligible for the County PACE program:

1. Energy efficiency improvements, meaning any fixture, product, system, equipment, device, material, or interacting group thereof intended to decrease energy consumption or enable a more efficient use of electricity, natural gas, propane, or other forms of energy on property, including, but not limited to, all of the following:
  - a. insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems;
  - b. energy efficient windows and doors, multi-glazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and additional glazing, reductions in glass area, and other window and door systems that reduce energy consumption;
  - c. automated energy or water control systems;
  - d. high efficiency heating, ventilating, or air-conditioning and distribution systems;
  - e. caulking, weather-stripping, and air sealing;
  - f. lighting fixtures;
  - g. energy controls or recovery systems;
  - h. day lighting systems;
  - i. any other fixture, product, system, equipment, device, or material intended as a utility or other cost-savings measure as approved by the governmental unit.
2. Energy projects, meaning the acquisition, construction, installation, or modification of an alternative energy improvement, energy efficiency improvement, renewable energy improvement, resiliency improvement, or water use improvement affixed to real property (including new construction).
3. Renewable energy improvements, meaning any fixture, product, system, equipment, device, material, or interacting group thereof on the property of the record owner that uses one or more renewable energy resources to generate electricity, including any renewable energy project, as defined in Section 825-65 of the Illinois Finance Authority Act.
4. Renewable energy resources, including energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, geothermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams. For purposes of this Report, landfill gas produced in the State is considered a renewable energy resource. The term "renewable energy resources" does not include the incineration or burning of any solid material.
5. Resiliency improvements, meaning any fixture, product, system, equipment, device, material, or interacting group thereof intended to increase resilience or improve the durability of infrastructure, including but not limited to, seismic retrofits, flood mitigation, fire suppression, wind resistance, energy storage, microgrids, and backup power generation.

6. Water use improvements, meaning any resiliency improvement, fixture, product, system, equipment, device, material, or interacting group thereof intended to conserve water resources or improve water quality on property, including, but not limited to, all of the following:
  - a. water management or efficiency systems;
  - b. water recycling;
  - c. capturing, reusing, managing, and treating stormwater;
  - d. bioretention, trees, green roofs, porous pavements, or cisterns for maintaining or restoring natural hydrology;
  - e. replacing or otherwise abating or mitigating the use of lead pipes in the supply of water; and
  - f. any other resiliency improvement, fixture, product, system, equipment, device, or material intended as a utility or other cost-savings measure as approved by the County
7. Future energy improvements may be added as determined fitting the requirements as defined by the PACE Act for increasing energy efficiency or sustainable use of energy.

The County or its Project Administrator will assure that all parties to the Assessment Contracts remain in compliance with PACE Act requirements, or as thereafter amended.

APPENDIX A - ASSESSMENT CONTRACT APPLICATION FORM

**APPLICATION FOR P.A.C.E. ASSESSMENT CONTRACT –  
CHAMPAIGN COUNTY, IL**

Name of Applicant (Owner of Record) : \_\_\_\_\_

Address of Subject Property: \_\_\_\_\_

City: \_\_\_\_\_ Illinois Zip Code \_\_\_\_\_

Email: \_\_\_\_\_ Phone: \_\_\_\_\_

Parcel Identification: \_\_\_\_\_

PACE Requirements:

1. Are there any delinquent property taxes, special assessments, water or sewer utility charges outstanding on any of the above listed properties/tracts?  
Yes:                      No:
2. Are there any involuntary liens on the property including, but not limited to, construction or mechanics liens, *lis pendens* or judgments against the record owner, environmental proceedings, or eminent domain proceedings regarding the above properties/tracts?  
Yes:                      No:
3. Are there any defaults, delinquencies, foreclosed mortgages or similar actions pending against the described properties/tracts?  
Yes:                      No:
4. Are there notices of default or other evidence of property-based debt delinquency that have been recorded and not cured?  
Yes:                      No:
5. Is the record owner current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding?  
Yes:                      No:
6. Is all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project to be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the governmental unit or its Program Administrator?  
Yes:                      No:
7. Have the contractors to be used signed a written acknowledgement that the governmental unit or its program administrator will not authorize final payment to the contractor or contractors until the governmental unit has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified

and is operating as intended; provided, however, that the contractor or contractors retain all legal rights and remedies in the event there is a disagreement with the record owner?

Yes: No:

8. Does the aggregate amount financed or refinanced under one or more assessment contracts exceed 25% in relation to the greater of either of the following:
- a. the value of the property as determined by the office of the county assessor; or
  - b. the value of the property as determined by an appraisal conducted by a licensed appraiser

Yes: No:

9. Has an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality?

Yes: No:

10. If the properties are subject to a mortgage, are existing mortgage holders on the described property's title?

Yes: No:

If "Yes", attach a copy of the mortgage with the name of the mortgage holder and the amount of the outstanding mortgage.

11. If the properties are subject to a mortgage, has the record owner obtained written consent from the mortgage holder before participating in the program?

Yes: No:

12. Is an assessment and modeling estimate of the water and/or energy savings to be achieved from this project attached to this application, completed by a person(s) competent to make such calculations and estimates?

Yes: No:

13. Does the term of the assessment exceed the useful life of the energy project financed or refinanced under an assessment contract; provided that an assessment contract financing or refinancing multiple energy projects with varying lengths of useful life may have a term that is calculated in accordance with the principles established by the program report? Yes: No:

14. Does the ratio of the amount of the assessment to the greater of either the value of the property as determined by the office of the county assessor or the value of the property as determined by an appraisal conducted by a licensed appraiser exceed the ratio set by the program report? Yes: No:

The undersigned acknowledge that they have read, understand and will comply with the *Implementation Plan* of the Champaign County, Illinois Property-Assessed Clean Energy (PACE) Program and that they have read the Illinois PACE Act, and that they willingly consent to a contract adding a PACE special assessment to their property tax bill(s) for the described properties and tracts.

The undersigned furthermore understand that PACE program payments will not be made until all eligible energy improvements approved by the County are completed and installed.

[ END OF AGREEMENT, SIGNATURES FOLLOW. ]

For Champaign County, Illinois:

For Property Owner:

\_\_\_\_\_

\_\_\_\_\_

Champaign County Executive

Owner of record

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest:

\_\_\_\_\_

County Clerk

Date: \_\_\_\_\_

**ASSESSMENT CONTRACT**

[NAME AND LOGO OF MUNICIPALITY OR COUNTY]	<b>Property Owner Name:</b> [Mr. or Mrs. Property Owner]
	_____ 1
	<b>Property:</b> [123 Main Street]
	[City, IL Champaign County]
	<b>Financed Amount:</b> \$ 250,000 (the "Financed Amount")
	<b>Assessment Payments:</b> [40] Assessment Payments of \$[11,656 .99], each [June 1] and [September 1] commencing [June[1], 20(19)]
	<b>Interest Rate:</b> [6.5]%
	<b>Registered Contractor:</b> [ABC Co]
<b>Completion Deadline:</b> [June 1, 2019]	
<b>Construction Escrow:@</b>	

This **ASSESSMENT CONTRACT** (this "**Agreement**"), dated as of \_\_\_\_, 20\_\_ (the "**Effective Date**"), is by and between [Champaign County] (the "**Sponsor**") a [INSERT APPROPRIATE UNIT OF LOCAL GOVERNMENT ENTITY TYPE], and [Mr. or Mrs. Property Owner] (the "Property Owner") the owner(s) of record, of the fee interest in the real property described on Exhibit [A] (the "**Property**"). The Property Owner completed an application (the "**PACE Application**") to participate in a property assessed clean energy ("**PACE**") financing program (the "**Program**") offered by the Sponsor pursuant to the Property Assessed Clean Energy Act. 50 ILCS 50/1 et. seq. (the "**PACE Act**") and administered by [ICEA] (the "**Administrator**"), in order to finance or refinance certain qualified "energy projects" (as defined in the PACE Act) that benefit the Property, as described on Exhibit A (the "**Improvements**"). The Property Owner will repay this financing through a tax assessment (the "**Special Assessment**") levied on the Property. This Agreement establishes the terms of participation in the Program and payment of the Special Assessment.

**SPECIAL ASSESSMENT.** The Property Owner freely and willingly agrees that upon execution of this Agreement, the Property shall be subject to the Special Assessment levied by the Sponsor in an amount equal to the Financed Amount described above. The Property Owner will use the financing obtained under this Agreement solely for the purpose of financing the actual costs of materials, labor and fees necessary for installation of the Improvements. If the actual costs of the Improvements exceed the Financed Amount, the Property Owner is solely responsible for such excess. The Special Assessment and all associated interest and penalties will create a lien (the "**Lien**") against the Property until they are paid. The Lien will be coequal to and independent of the lien for general taxes on the Property. If the Property Owner sells the Property, the obligation to pay the Special Assessment and the Lien will remain with the Property and will be effective against any future owner of the Property until the Special Assessment has been paid in full.

**PAYMENTS.** The equal installments that the Property Owner is anticipated to pay under the Special Assessment are described above ("**Assessment Payments**") and on Schedule I. The exact payment amounts and due dates will be disclosed in annual invoices from the local tax collector along with the Property Owner's regular property taxes and must be paid with the Property Owner's regular property taxes. Assessment Payments are not subject to discount or any other credit for early payment.

**INTEREST.** Interest will accrue on the principal balance of the Special Assessment at rate equal to [6.5]% per year on the basis of a 360-day year consisting of 12 months of 30 days each. Interest will begin to accrue on the full amount of the Special Assessment beginning on the Effective Date. Each Assessment Payment will include the full amount of interest scheduled to become due within the corresponding 6-month period of the calendar year in which that Assessment Payment is scheduled (each, an "**Interest Period**"). Early payment will not reduce the amount of interest accrued in any Interest Period. The principal balance of the Special Assessment will



include capitalized interest sufficient to pay any interest due in the period from the Effective Date to the first day of the Interest Period covered by the first scheduled Assessment Payment.

**ADMINISTRATIVE FEES.** Each Assessment Payment will include administrative fees to pay certain costs to administer the Program ("**Administrative Fees**"). Administrative Fees will be equal to 0 of each scheduled Assessment Payment.

**PROGRAM REQUIREMENTS.** Based solely on the recommendation of the Administrator and the representations of the Property Owner in this Agreement and in the related application, the Sponsor has determined the Property Owner has met all necessary Program requirements to enter into this Agreement.

**FUNDING.** If construction of the Improvements is not complete as of the Effective Date, funds from the Special Assessment must be disbursed to a construction escrow account governed by an escrow arrangement (the "**Construction Escrow**") that is consistent with the requirements of the program guidelines for the Program as of the Effective Date (the "**Program Guidelines**") and designated by the Property Owner on the Effective Date. Otherwise, funds from the Special Assessment will be disbursed to or at the direction of the Property Owner once all requirements have been completed in accordance with the Program Guidelines. The Property Owner shall provide to the Administrator copies of any documents submitted or require to be submitted in connection with requests for funding from the Construction Escrow. In accordance with the Program Guidelines, requests for funding under the Construction Escrow or any other disbursements will be accompanied by an interim or final completion certificate, as applicable, signed by the relevant contractors and the Property Owner certifying the work on the Improvements has been completed in a satisfactory manner and in accordance with all relevant construction agreements. The Property Owner shall ensure that, if (a) funds remain in the Construction Escrow [24] months after the Effective Date and the Improvements are not complete (as evidenced by delivery of a final completion certificate) or (b) after the delivery of the final completion certificate funds from the Special Assessment remain unspent, the agreements governing the Construction Escrow provide that the Program Administrator may direct by written notice to the applicable escrow agent that funds in the Construction Escrow will be disbursed at the direction of the Administrator as a partial prepayment of the Special Assessment. Promptly after such disbursement the Administrator will provide the Property Owner an updated Schedule I that describes the relevant adjustments to future payments.

**PAYMENT .** The Special Assessment may be prepaid in whole or in part upon no less than 45 days written request to the Administrator. Prepayments will be applied at the end of the month in which funds are received. Upon receipt of the request or prepayment, the Administrator will provide a payoff statement and payment instructions. The amount of any prepayment, in whole or in part, will include a rebate of unearned interest, if applicable and a prepayment premium equal to the amount set forth in Exhibit A attached hereto. Following a prepayment, Assessment Payments will continue to be owed in the same amount as prior to such prepayment, however, the number of Assessment Payments may decrease.

**LATE PAYMENT .** Under Illinois law, if the Property Owner fails to pay any annual installment of the Special Assessment on a timely basis, delinquent Special Assessments will be subject to the same penalties as other delinquent property taxes, which initially incur a penalty of 1.5% per month and continue to incur increasingly steep penalties mandated by statute if such taxes remain unpaid, including loss of title to the Property. The Property Owner will be responsible for any fees, default interest or other charges related to a delinquent payment.

**FORECLOSURE.** The Property Owner acknowledges and agrees that upon failure to pay any Assessment Payment, the Sponsor has the right to enforce collection of delinquent installments, associated penalties and all

costs of suit (including attorneys' fees) by all lawful means, including through a tax certificate sale or an issuance of a tax deed or other process that could result in Property Owner losing title to the Property. The Property Owner acknowledges that the Sponsor has the right to obligate itself, on behalf of the Financing Parties (as defined below), to exercise such rights and remedies with respect to enforcement of delinquent Special Assessments to the extent permitted by applicable law.

**NO ACCELERATION; NO REDUCTION OR OFFSET; SURVIVAL.** Except as provided below with respect to Eminent Domain, amounts due under the Special Assessment will not accelerate upon a default or late payment or enforcement of remedies under this Special Assessment and the Special Assessment, the Lien and the obligation to pay Assessment Payments when they become due shall survive any such event and continue until paid in full. The Property Owner acknowledges and agrees that the Special Assessment will not be subject to reduction, offset or credit of any kind for any reason, including in the event the Improvements fail to perform.

**NONRECOURSE.** Without limiting any rights pursuant to an agreement among the providers of capital for funding the Special Assessment (the "**Capital Providers**") and the Property Owner that is (A) entered into in connection with the Special Assessment and (B) in accordance with the requirements for such agreements in the Program Guidelines (a "**PACE Supplemental Agreement**"), the Property Owner will not be personally liable for any Special Assessment due after the closing of a tax sale with respect to the Property or the completion of the exercise of other applicable remedies by the Sponsor, except for indemnification rights arising from an event of fraud, willful misconduct or reckless disregard by Property Owner.

**NO WARRANTIES; LIMITATION OF LIABILITY.** Neither the Sponsor nor the Administrator makes any warranty or representation, either express or implied, regarding the Improvements, including any warranty of merchantability or fitness for a particular purpose, and any and all implied warranties are expressly disclaimed.

**PROPERTY OWNER REPRESENTATIONS AND WARRANTIES.** The Property Owner represents and warrants: (A) the Property Owner is duly organized, validly existing and in good standing in the state of its organization and has authority to do business under the laws of the State of Illinois; (B) the Property Owner has all necessary power and authority to own the Property and to enter into and perform the transactions contemplated by this Agreement; (C) there are no actions, suits or proceedings pending, or to the knowledge of the Property Owner threatened, against or affecting it or the Property which could materially adversely affect the Property Owner, the Property or the construction of the Improvements; (D) the Property Owner has good and insurable title to the Property; (E) the Property Owner has complied with, and will continue to comply with, all applicable statutes, regulations and ordinances in connection with the Property and construction of the Improvements; (F) all permits, consents, approvals and authorizations required to be issued by any governmental body necessary for the construction of the Improvements in accordance with the plans and specifications submitted by the Property Owner to the Administrator (the "**Plans**") either (i) have been obtained, are valid, and are in full force and effect; or (ii) will be obtained, will be valid, will be in full force and effect prior to the initiation of construction; (G) the Property Owner has (i) disclosed to the Administrator the identities of all persons, if any, that hold mortgage liens or other Special Assessment liens against the Property; (ii) at least thirty (30) days prior to the Effective Date, obtained the written consent of the holders of such mortgage liens against the Property acknowledging that upon execution of this Agreement, the Special Assessment (including interest thereon) shall constitute a legal, valid and binding assessment and a resulting lien upon the Property, equal in priority with the lien of all state, county, district and municipal taxes and superior in priority to all other liens, titles and claims, until paid; and (iii) to the Property Owner's knowledge, no such consent has been withdrawn or revoked; (H) the information in the PACE Application, including, without limitation, the description of the Improvements provided to the Administrator in connection with in the PACE Application, is true and correct as of the Effective Date, and that the representations in the PACE Application with respect to the Property and the Property Owner are true and correct as of the Effective Date; (I) the Property Owner has thoroughly reviewed any projections of future energy savings, has been provided sufficient time to clarify any questions regarding such projections and understands that the actual energy savings may vary for a variety of reasons; (J) the Property Owner understands that neither the County nor the Administrator makes any assurances as to the quality, safety, efficiency of the Improvements or compliance of the installation of the Improvements with any applicable laws, regulations, codes, standards or requirements; (K) the Property Owner understands that the County voluntarily participates in the Program but does not directly operate or administer the Program; (L) the Property Owner does not and will not engage in operations that involve the generation, manufacture, refining,

transportation, treatment, storage or handling of hazardous materials or hazardous wastes, and the Property has not been previously used for such matters; (M) the Property Owner acknowledges and agrees that the term of the Special Assessment does not exceed the expected useful life of the Improvements; and (N) Property Owner has reviewed the Program Guidelines. These representations and warranties will survive the execution and delivery of this Agreement.

**PROPERTY OWNER COVENANTS.** The Property Owner covenants and agrees to: (A) at all times, maintain the Property and, after construction, the Improvements; (B) pay all taxes, assessments (including the Special Assessment) , and all other charges levied on or against the Property when due; (C) cause its contractor(s) to install the Improvements in accordance with the Plans and in a good and workmanlike manner in accordance with all applicable laws, ordinances, codes, rules and regulations; (D) keep in effect all permits, licenses, and approvals required to own and operate the Improvements; and (E) provide written notice to any subsequent purchaser of the Property that the Property is subject to the Special Assessment lien and to provide any subsequent purchaser a copy of this Agreement.

**INSPECTION RIGHTS.** The Property Owner grants the County, the Administrator, their respective agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Improvements. The Property Owner further grants the Sponsor, the Administrator, their respective agents and representatives the right to examine and copy any documentation relating to the Improvements.

**TERM.** Except as otherwise set forth in this Agreement, this Agreement shall expire upon payment in full of the Special Assessment and any other amounts owed by the Property Owner pursuant to this Agreement.

**DIVISION OF PROPERTY.** If the property is subdivided before the Special Assessment is paid in full, the Special Assessment will be allocated among the subdivided parcels in the same proportion used for allocating other property taxes on such parcels. . If the Improvements no longer exist, the Special Assessment will be assigned to each parcel on a per-acre basis, unless the Administrator, in its sole discretion, decides to allocate the Special Assessment in an alternate manner.

**EMINENT DOMAIN.** If the Property or any part thereof is taken by eminent domain or other taking in a manner that would extinguish all or a portion of the Property Owner's (or that of its successor by eminent domain) obligation to make Assessment Payments following such exercise of eminent domain, then Property Owner may be required to pay all or a portion of the outstanding amounts in accordance with the Supplemental CPACE Agreement

**RECORDATION OF DOCUMENTS.** The County shall record or cause a memorandum of this Agreement to be recorded in the office of the applicable County Recorder on or after the Effective Date.

**WAIVERS, ACKNOWLEDGMENT AND AGREEMENT.** To the extent permitted by applicable law, the Property Owner expressly waives any right for a public hearing regarding the Special Assessment. The Property Owner also waives any right to repeal or challenge the Special Assessment either by lawsuit or by any other proceeding. The Property Owner acknowledges and agrees that the Property Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Improvements. The Property Owner waives any right to recover from and fully releases the Sponsor, the Program Administrator and their successors, assigns and funding sources, and any of their respective officials, employers and agents (the "**Financing Parties**") from any claims or liabilities related to, (i) the Property Owner's participation in the Program, (ii) the Special Assessment, (iii) the Improvements, or (iv) any fact, circumstance or event related to this Agreement, other than claims for, or liabilities not exceeding, Property Owner's actual damages resulting from such Financing Party's willful misconduct or gross negligence and equitable actions to enforce the terms of this Agreement, .

**INDEMNIFICATION.** To the extent permitted by applicable law, the Property Owner agrees to indemnify, defend, protect, and hold harmless the Financing Parties against all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and attorney's fees) and any demands related to (i) the Property Owner's participation in the

Program, (ii) the Special Assessment, (iii) the Improvements, or (iv) any other fact, circumstance or event related to this Agreement. These indemnification provisions shall survive the termination of this Agreement.

**AMENDMENT.** This Agreement may be modified or amended only by the written agreement of the County and the Property Owner or their respective successors.

**BINDING EFFECT; ASSIGNMENT.** This Agreement inures to the benefit of and is binding upon the County, the Administrator, the Property Owner and their respective successors and assigns. The County has the right to assign any or all of its rights and obligations under this Agreement without the consent of the Property Owner. The County intends to delegate certain of its functions under this Agreement to the Administrator.

**SEVERABILITY.** If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Agreement.

**FURTHER ASSURANCES.** The Property Owner and the County agree to execute any further documents necessary or appropriate to ensure that this Agreement and the Special Assessment operate as intended.

**MISCELLANEOUS.** This Agreement (other than the arbitration provisions below) shall be governed by the laws of the State of Illinois. This Agreement may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument. This Agreement may be executed by one or more electronic means and each party agrees that an electronic signature is enforceable against each that respective party.

**THIRD PARTY BENEFICIARY.** The parties hereto acknowledge that the Administrator is a third party beneficiary of this Agreement.

**PERMITTED ASSIGNMENTS.** To the extent permitted by the PACE Act, the County may assign the Assessment Payments and related rights under this Agreement to a third party (a "Permitted Assignee"). Any Permitted Assignee shall be a direct beneficiary hereof.

**EFFECTIVENESS OF AGREEMENT.** The effectiveness of this Agreement is subject to the execution of the documents described on Exhibit A (the "PACE Documents") and the satisfaction of any conditions precedent therein.

**GOVERNING LAW; VENUE AND JURY WAIVER.** THIS AGREEMENT SHALL BE GOVERNED BY THE AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ILLINOIS WITHOUT GIVING EFFECT TO CONFLICT OF LAWS PRINCIPLES. IF FOR ANY REASON A DISPUTE UNDER THIS AGREEMENT PROCEEDS IN COURT AS A LAWSUIT, BOTH PARTIES AGREE THAT: (1) ANY SUCH DISPUTE SHALL ONLY BE BROUGHT AS A LAWSUIT IN THE SIXTH JUDICIAL CIRCUIT COURT, SITTING IN CHAMPAIGN COUNTY, ILLINOIS; (2) BOTH PARTIES IRREVOCABLY CONSENT AND SUBMIT TO THE EXCLUSIVE PERSONAL JURISDICTION AND VENUE OF SUCH COURTS; AND (3) BOTH PARTIES WAIVE ANY RIGHT TO TRIAL BY A JURY.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the Sponsor and the Property Owner have caused this Agreement to be executed in their respective names by their duly authorized representatives, all as of the Effective Date.

**Property Owner:**

\_\_\_\_\_

\_\_\_\_\_ ,

Signature

Date: \_ \_ \_ \_ \_

Month/Day/Year

**[County]:** Authorized Signatory

\_\_\_\_\_

Name *(Please Print)*

\_\_\_\_\_

Signature

\_\_\_\_\_

Date of Execution

**EXHIBIT A**

**DESCRIPTION OF PROPERTY, DESCRIPTION OF THE IMPROVEMENTS AND NOTICE  
INFORMATION**

**Description of Property:**

**Description of Improvements:**

The Improvements consist of the following:

**Notice Information:**

[PACE Program Notice Information]

[Property Owner Notice Information]

**PACE Documents:**

Assessment Contract

CPACE Supplemental Agreement

[Disbursement Agreement]

**Prepayment Premium:**



Period	Payment Date Owner	Balance	Principal	Interest	Payment P&I	PACE Treasurer Servicing Fee	Administrator Servicing Fee	TOTAL Payment
<b>Capitalized Interest</b>		\$ 250,000.00		SO. CO				
	6/1/2019	\$250,000.00	\$3,131.99	\$8,023.21	\$11,256.99	\$200.00	\$200.00	\$11,656.99
	9/1/2019	\$246,868.01	\$3,233.77	\$7,918.11	\$11,256.99	\$200.00	\$200.00	\$11,656.99
	6/1/2020	\$243,634.24	\$3,338.87	\$7,809.60	\$11,256.99	\$200.00	\$200.00	\$11,656.99
4	9/1/2020	\$240,295.37	\$3,447.39	\$7,697.56	\$11,256.99	\$200.00	\$200.00	\$11,656.99
5	6/1/2021	\$236,847.98	\$3,559.43	\$7,581.88	\$11,256.99	\$200.00	\$200.00	\$11,656.99
6	9/1/2021	\$233,288.56	\$3,675.11	\$7,462.44	\$11,256.99	\$200.00	\$200.00	\$11,656.99
	6/1/2022	\$229,613.45	\$3,794.55	\$7,339.11	\$11,256.99	\$200.00	\$200.00	\$11,656.99
8	9/1/2022	\$225,818.90	\$3,917.87	\$7,211.78	\$11,256.99	\$200.00	\$200.00	\$11,656.99
9	6/1/2023	\$221,901.03	\$4,045.20	\$7,080.31	\$11,256.99	\$200.00	\$200.00	\$11,656.99
10	9/1/2023	\$217,855.83	\$4,176.67	\$6,944.57	\$11,256.99	\$200.00	\$200.00	\$11,656.99
11	6/1/2024	\$213,679.16	\$4,312.41	\$6,804.42	\$11,256.99	\$200.00	\$200.00	\$11,656.99
12	9/1/2024	\$209,366.75	\$4,452.57	\$6,659.71	\$11,256.99	\$200.00	\$200.00	\$11,656.99
13	6/1/2025	\$204,914.18	\$4,597.27	\$6,510.30	\$11,256.99	\$200.00	\$200.00	\$11,656.99
14	9/1/2025	\$200,316.91	\$4,746.69	\$6,356.03	\$11,256.99	\$200.00	\$200.00	\$11,656.99
15	6/1/2026	\$195,570.22	\$4,900.95	\$6,196.75	\$11,256.99	\$200.00	\$200.00	\$11,656.99
16	9/1/2026	\$190,669.27	\$5,060.23	\$6,032.29	\$11,256.99	\$200.00	\$200.00	\$11,656.99
17	6/1/2027	\$185,609.04	\$5,224.69	\$5,862.49	\$11,256.99	\$200.00	\$200.00	\$11,656.99
18	9/1/2027	\$180,384.34	\$5,394.49	\$5,687.17	\$11,256.99	\$200.00	\$200.00	\$11,656.99
19	6/1/2028	\$174,989.85	\$5,569.81	\$5,506.15	\$11,256.99	\$200.00	\$200.00	\$11,656.99
20	9/1/2028	\$169,420.04	\$5,750.83	\$5,319.25	\$11,256.99	\$200.00	\$200.00	\$11,656.99
21	6/1/2029	\$163,669.20	\$5,937.74	\$5,126.27	\$11,256.99	\$200.00	\$200.00	\$11,656.99
22	9/1/2029	\$157,731.47	\$6,130.71	\$4,927.02	\$11,256.99	\$200.00	\$200.00	\$11,656.99
23	6/1/2030	\$151,600.75	\$6,329.96	\$4,721.30	\$11,256.99	\$200.00	\$200.00	\$11,656.99
24	9/1/2030	\$145,270.79	\$6,535.68	\$4,508.89	\$11,256.99	\$200.00	\$200.00	\$11,656.99
25	6/1/2031	\$138,735.11	\$6,748.09	\$4,289.58	\$11,256.99	\$200.00	\$200.00	\$11,656.99
26	9/1/2031	\$131,987.01	\$6,967.41	\$4,063.14	\$11,256.99	\$200.00	\$200.00	\$11,656.99
27	6/1/2032	\$125,019.61	\$7,193.85	\$3,829.34	\$11,256.99	\$200.00	\$200.00	\$11,656.99
28	9/1/2032	\$117,825.76	\$7,427.65	\$3,587.94	\$11,256.99	\$200.00	\$200.00	\$11,656.99
29	6/1/2033	\$110,398.11	\$7,669.05	\$3,338.69	\$11,256.99	\$200.00	\$200.00	\$11,656.99
30	9/1/2033	\$102,729.07	\$7,918.29	\$3,081.35	\$11,256.99	\$200.00	\$200.00	\$11,656.99
31	6/1/2034	\$94,810.78	\$8,175.63	\$2,815.64	\$11,256.99	\$200.00	\$200.00	\$11,656.99
32	9/1/2034	\$86,635.14	\$8,441.34	\$2,541.30	\$11,256.99	\$200.00	\$200.00	\$11,656.99
33	6/1/2035	\$78,193.80	\$8,715.69	\$2,258.04	\$11,256.99	\$200.00	\$200.00	\$11,656.99
34	9/1/2035	\$69,478.11	\$8,998.95	\$1,965.57	\$11,256.99	\$200.00	\$200.00	\$11,656.99
35	6/1/2036	\$60,479.16	\$9,291.41	\$1,663.60	\$11,256.99	\$200.00	\$200.00	\$11,656.99
36	9/1/2036	\$51,187.75	\$9,593.38	\$1,351.82	\$11,256.99	\$200.00	\$200.00	\$11,656.99
37	6/1/2037	\$41,594.37	\$9,905.17	\$697.52	\$11,256.99	\$200.00	\$200.00	\$11,656.99
38	9/1/2037	\$31,689.20	\$10,227.09	\$354.34	\$11,256.99	\$200.00	\$200.00	\$11,656.99
39	6/1/2038	\$21,462.12	\$10,559.47		\$11,256.99	\$200.00	\$200.00	\$11,656.99
40	9/1/2038	\$10,902.65	\$10,902.65		\$11,256.99	\$200.00	\$200.00	\$11,656.99



**EXHIBIT B**

**DESCRIPTION OF PACE AREA**

The property assessed clean energy (PACE) area is defined as the corporate limits of Champaign County.



CHAMPAIGN COUNTY  
REGIONAL PLANNING  
COMMISSION

# Memorandum

**Date:** March 15, 2021  
**To:** Champaign County Board and Champaign County Executive  
**From:** Champaign County Regional Planning Commissioners  
**RE:** Non-Compliance with GATA Audit Report Requirement

On March 2, 2021, the Illinois Department of Commerce and Economic Opportunity (RPC's state cognizant agency) notified RPC staff that Champaign County was not in compliance with audit reporting requirements in accordance with the Grant Accountability and Transparency Act (GATA) and that the County had been placed on a FEIN lock by DCEO. All cash and future funding from DCEO have been suspended until the deficiency is resolved. The stated deficiency is the failure by Champaign County to submit the FY19 Champaign County Single Audit by the required due date of 12/31/20.

After receiving this letter, the Champaign County Auditor submitted an appeal to the Illinois Office of Accountability which was denied on March 8, 2021. DCEO cannot offer an extension to the Single Audit report submission deadline because it is codified in the Code of Federal Regulations. Only the federal government can allow extensions. On June 18, 2020, the Office of Management and Budget released M-20-26, which allowed Single Audit reports, for the audit period ending December 31, 2019, a three-month extension for submitting the report. That extension lapsed on December 31, 2020.

The denial letter indicated that Champaign County would be placed on the Illinois Stop Payment List on March 17, 2021 unless the County complies with the audit requirements. It is our understanding that the FY19 Champaign County Single Audit will not be submitted until June 2021.

## Impact of Illinois Stop Payment List

### **Joint Commission on Administrative Rules Part 7000 Grant Accountability and Transparency Act, Section 7000.80 Grantee Compliance Enforcement System: Illinois Stop Payment List**

#### **1. CASH DRAWS SUSPENDED**

The Regional Planning Commission cannot draw-down funds (both state and federal pass-through) to reimburse agency costs for payroll and accounts payable. The Illinois Comptroller's Office is unable to process transactions after the Stop Pay Date. The monthly cash flow requirements necessary to maintain operations and client services at the RPC including payroll and accounts payable totals \$3,080,867 (excludes direct federal reimbursement from U.S.HHS for Head Start/Early Head Start). Funding three months of operations requires \$9,242,601. Direct monthly federal reimbursements total \$1,305,376. **The Stop Payment monthly amount for state and federal pass-through grants totals \$1,775,491. Three months of Stop Payment totals \$5,326,473.** The inability to access federal pass-through and state funds for transportation projects and community services will directly impact units of government and many at-risk regional residents. The RPC has restricted reserves that cannot be accessed during the period of stop payment. Under current federal and state guidelines, the RPC has limited ability to grow its

Champaign County Regional Planning Commission

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unrestricted fund balance. Under the approved indirect cost allocation plan, the RPC can, over a period of years, over-recover an amount sufficient for 60 days of operations. The current unrestricted balance totals \$1.1M. The list of grant awards impacted by the Stop Payment List are identified in Attachment A.

**2. GRANT EXECUTION OR MODIFICATION PROHIBITED**

State agencies cannot execute or modify grants to entities on Stop Payment Status. GATA requires the maintenance of a list of entities temporarily or permanently ineligible to receive grant funds. Staff have developed several new and continuation proposals for submission with a start date of July 1, 2021. These grants cannot be executed which will negatively impact programming, operations, and staffing. These grants support critical safety net programs such as Emergency Rental Assistance, Energy Assistance, Weatherization, Early Childhood Programming, Justice Diversion, Community Services, Homeless Prevention, Supportive Housing, and Workforce Development. The grants in current development that are at risk of not being awarded are identified in Attachment B.

**3. STOP PAYMENT LIST ARCHIVED IMPACTING FUTURE AWARDS**

The Illinois Stop Payment List will archive all Stop Pay Statuses to document historic prior grant compliance issues. State agencies are encouraged to consider all Stop Pay Status occurrences as part of the grantmaking or modifying process. This will negatively impact the RPC's ability to secure new and continuation grant funding. The GATA portal and federal clearinghouse will document three years of audit delinquencies, compliance issues, and the designation of Champaign County as a high-risk auditee. Federal and state agencies will assess the risk of providing grant funding to an entity that has had ongoing reporting issues and a questionable ability to maintain effective stewardship of public resources. The current circumstances pose a short and long-term threat to the RPC's operations, client services, and overall competitiveness in securing innovative grant funding. The Single Audit due dates, submission dates, and months of delinquency are identified in Attachment C.

**4. FISCAL INFRASTRUCTURE INDICATIVE OF SYSTEMIC WEAKNESS/RISK**

Despite having no fiscal or programmatic compliance findings in any Single Audit for the past 35+ years related to the RPC, the systemic weaknesses in the County's fiscal infrastructure have negatively impacted the agency. In responding to federal and state internal control questionnaires and monitoring reviews, the RPC is inextricably linked to outstanding issues related to reporting, internal control, segregation of duties, and adequate competencies within the Auditor/Treasurer Offices. Timely completion of bank reconciliations and associated revenue posting to the general ledger continue to be areas of concern.

**5. FEDERAL IMPACT**

The Auditor's Office has been contacted by state agencies, the Office of Accountability and the Federal Audit Clearinghouse related to the submission of the FY19 audit. Federal consequences of delinquent Single Audits include draw-down restrictions, withholding a percentage of federal funds, suspending federal funds, and termination of federal awards (2 CFR 200.339 – Remedies for Non-Compliance). Lack of response to federal notifications and/or repeated delays will result in further action. Given the upcoming Focus Area I review from the U.S. Department of Health and Human Services, we are at serious risk of placement on the Designation Renewal System which negates our non-competitive Head Start and Early Head Start grant status.



CHAMPAIGN COUNTY  
REGIONAL PLANNING  
COMMISSION

**6. CLIENT – STAFF IMPACT**

An inability to provide ongoing programs and services to support area residents both during and after the pandemic are at risk. The RPC serves over 10,000 clients per year. Given the innovative funding matrix of the RPC and our ability to leverage agency resources to maximize public benefit may result in staffing and programming reductions. Our overall agency mission and vision to provide complementary services aimed at achieving client self-sufficiency and community enhancement will be compromised.

**7. RPC COMMISSIONER'S REQUEST**

The Champaign County Regional Planning Commissioners held a special meeting on Friday, March 12, 2021 where the concerning issues outlined in this Memorandum were discussed. These concerns have both short and perhaps long-term consequences on the viability and stability of the RPC which does so much for this community and its residents including being on the frontlines of providing COVID-19 relief to our respective constituents. Since the RPC Commissioners are entrusted with the fiduciary oversight of the RPC, we certainly cannot afford to have current critical services and projects interrupted at this time nor do we want to jeopardize any future grant funding (inclusive of the recently passed stimulus package) because of the audit delinquency which is beyond the control of the RPC. To that end, we are formally requesting the following from the County Board:

- a) The County Board should immediately approve an interfund transfer in the amount of \$5,326,473 from the County's General Corporate Fund to support RPC cash flow requirements for operations and client services until the audit deficiency is resolved and the Stop Payment Status is removed.
- b) The County Board should authorize additional resources to allow the County Auditor and County Treasurer to utilize external consultants or contractors to expedite the completion of the FY19 Single Audit for federal and state submissions in advance of June 1, 2021.
- c) The RPC Commission and County Board establish a task force to review the structure and organization of the RPC to mitigate compliance issues and ensure its long-term viability.

Mayor Diane Wolfe Marlin, City of Urbana  
Chair, RPC Board of Directors

Mayor Deborah Frank Feinen, City of Champaign  
Vice-Chair, RPC Board of Directors

**Champaign County Regional Planning Commission**

1776 E. Washington St. Urbana, IL 61802

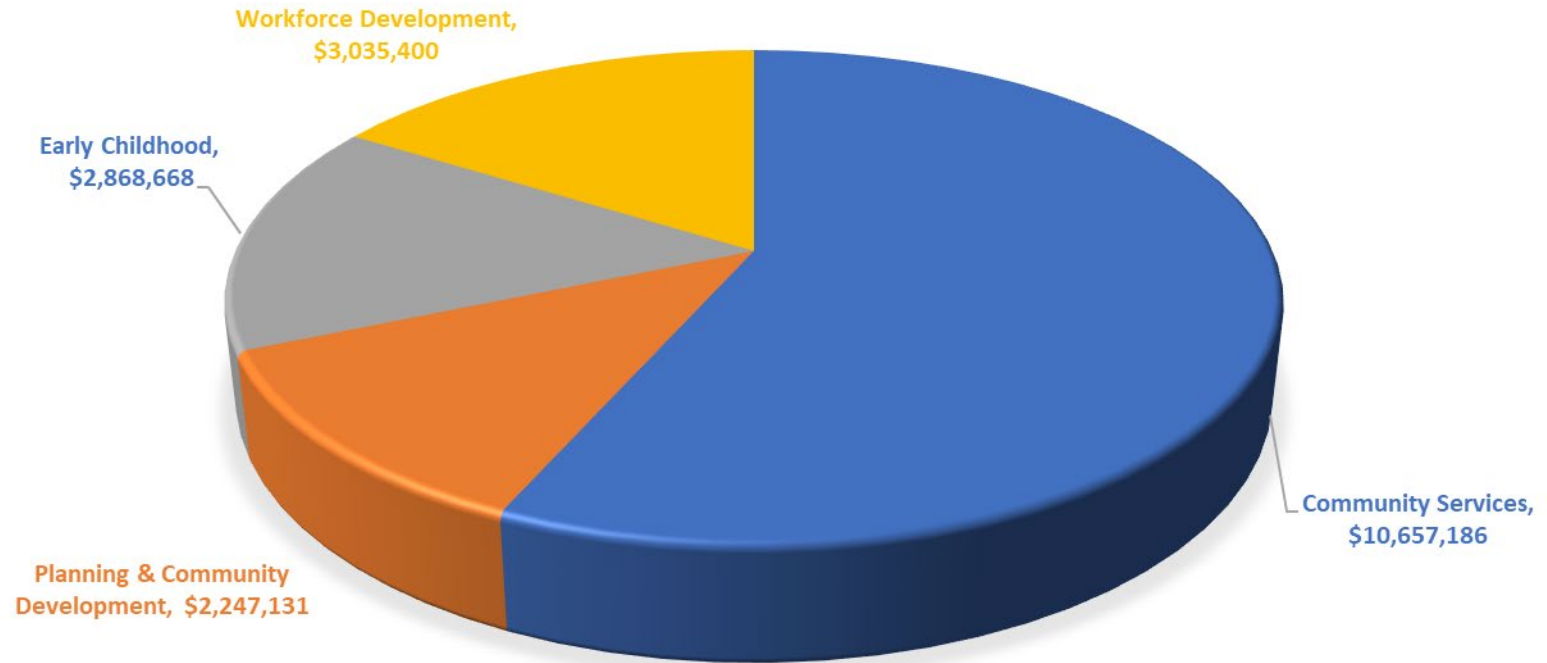
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**ATTACHMENT A - STOP PAYMENT LIST****Federal Pass-Through and State Grant Payments Suspended**

	<b>Operating</b>	<b>Early Childhood</b>	<b>Workforce Development</b>	<b>TOTAL</b>
IL Dept of Human Services	\$ 2,603,963	\$ 1,500,000	\$ 30,501	\$ 4,134,464
IL Dept of Transportation	\$ 1,402,173	\$ -	\$ -	\$ 1,402,173
IL Dept of Children & Family Services	\$ 100,773	\$ 50,973	\$ -	\$ 151,746
IL Dept of Commerce & Economic Opportunity	\$ 7,029,434	\$ -	\$ 3,302,551	\$ 10,331,985
IL State Board of Education	\$ -	\$ 1,205,102	\$ -	\$ 1,205,102
IL Law Enforcement Training & Standards Board	\$ 172,360	\$ -	\$ -	\$ 172,360
<b>TOTAL GRANT PAYMENTS SUSPENDED</b>	<b>\$ 11,136,343</b>	<b>\$ 2,756,075</b>	<b>\$ 3,333,052</b>	<b>\$ 17,397,830</b>

## GRANTS PENDING EXECUTION JULY 1, 2021



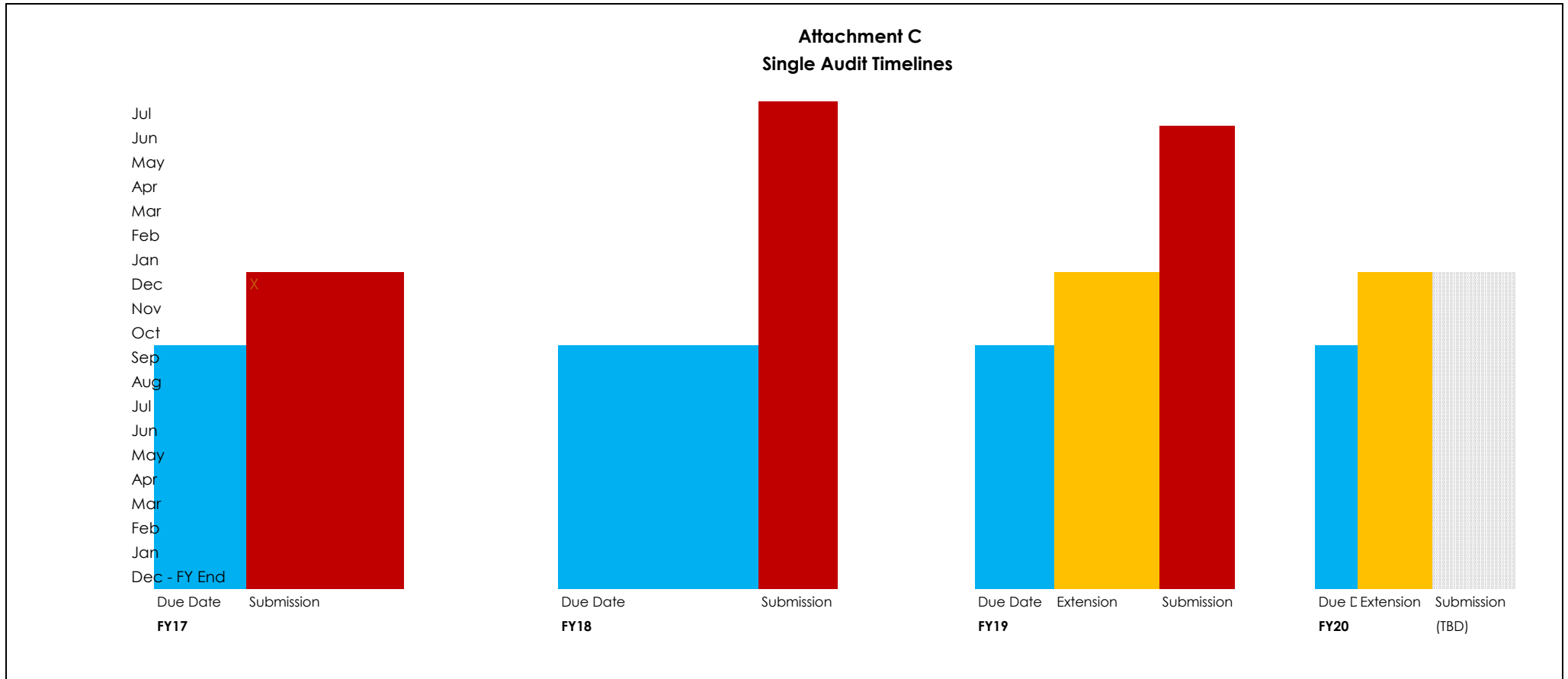
**ATTACHMENT B**

**PENDING GRANT PROPOSALS - Execution Prohibited**

<b>Grant</b>	<b>Federal Pass-Through</b>	<b>State</b>	<b>Agency</b>
<b>Community Services</b>			
CSBG	\$ 875,000		DCEO
CSBG CARES	\$ 941,000		DCEO
Homeless Prevention		\$ 103,300	IDHS
Youth Housing Advocacy		\$ 10,000	DCFS
Housing Advocacy		\$ 45,000	DCFS
Individual Services & Support Advocacy		\$ 2,800,000	IDHS
Emergency Solutions	\$ 102,858		IDHS
Emergency Solutions CARES	\$ 134,000		IDHS
Weatherization - HHS	\$ 444,532		DCEO
Weatherization - DOE	\$ 372,809		DCEO
Weatherization - State		\$ 191,575	DCEO
LIHEAP - HHS	\$ 2,264,064		DCEO
LIHEAP - State		\$ 1,596,179	DCEO
LIHEAP - CARES	\$ 776,869		DCEO
<b>Planning &amp; Community Development</b>			
CUUATS		\$ 396,860	IDOT
CCARTS (5311)	\$ 153,871		IDOT
CCARTS (DOAP)		\$ 655,955	IDOT
IL Model Users Group		\$ 250,283	IDOT
Human Services Transportation Plan		\$ 175,702	IDOT
Regional Environmental Framework		\$ 184,370	
Systemic Safety Evaluation Tool		\$ 380,090	IDOT
CDBG DSBS		\$ 50,000	DCEO
<b>Early Childhood</b>			
Preschool for All		\$ 720,090	ISBE
Preschool for All Expansion		\$ 485,102	ISBE
CACFP	\$ 375,000		ISBE
Childcare Restoration (CARES)		\$ 1,288,476	IDHS
<b>Workforce Development</b>			
WIOA Formula Grant	\$ 2,600,000		DCEO
Youth Career Pathways	\$ 285,400		DCEO
Emergency Funding Grant	\$ 150,000		DCEO
<b>Total</b>	<b>\$ 9,475,403</b>	<b>\$ 9,332,982</b>	<b>\$ 18,808,385</b>

**ATTACHMENT C  
SINGLE AUDIT DUE & SUBMISSION DATES**

<b>Fiscal Year End</b>	<b>Single Audit Due Date</b>	<b>Single Audit Due Date - Extended</b>	<b>Single Audit Submission Date</b>	<b>Number of Months Delinquent</b>
12/31/2017	9/30/2018		12/19/2018	3 Months Past Due
12/31/2018	9/30/2019		7/8/2020	10 Months Past Due
12/31/2019	9/30/2020	12/31/2020	6/1/2021	6 Months Past Due
12/31/2020	9/30/2021	12/31/2021	TBD	







## **OFFICE OF THE CHAMPAIGN COUNTY EXECUTIVE**

1776 East Washington Street, Urbana, Illinois 61802-4581

**Darlene A. Kloeppel, County Executive**

### **MEMORANDUM**

**To:** Stephanie Fortado, Deputy Chair – Finance; and  
Jim Goss, Assistant Deputy Chair – Finance; and  
Honorable Members of the County Board

**From:** Darlene Kloeppel, County Executive  
George Danos, County Auditor  
Tami Ogden, Director of Finance

**Date:** March 18, 2021

**Subject:** Response to the Regional Planning Commission’s request for funds to support cash flow needs due to incompleteness of the FY2019 Audit and subsequent Stop Payment status

### **Background**

On March 2, 2021, the Regional Planning Commission received notice from the Illinois Department of Commerce & Economic Opportunity (DCEO) that due to non-compliance with the Grant Accountability and Transparency Act (GATA) audit report requirements, all cash and future funding from DCEO was suspended until the deficiencies are resolved. On March 3, Auditor Danos provided an objection to DCEO and an appeal for removal from the Stop Payment List. That appeal, and subsequent appeals, has not led to removal of the Stop Payment status.

On March 15, Champaign County Regional Planning Commissioners issued a Memorandum to the County Board and County Executive explaining the impact of the Stop Payment status on current and future RPC operations, and requesting certain actions from the County Board. One actionable item was an interfund transfer in the amount of \$5.3 million from the General Fund to support RPC cash flow until the Stop Payment status is removed.

On March 17, RPC and the Champaign County State’s Attorney’s Office received a Notice of Statewide Funding Restriction. The following language was included in the Notice. “All cash and future funding to Grantee from the Department has been suspended, and the Department may initiate grant fund collection efforts.”

### **Issue**

At this time, it is not expected the FY2019 Comprehensive Annual Financial Report will be completed until June. The most proactive approach is to assume the Stop Payment status will not be removed and that drawdowns will be prohibited until the audit is completed. It is essential that RPC has access to funds in order to satisfy its payroll and accounts payable obligations and to ensure the continuation of vital services to the community.

### **Recommended Plan of Action**

1. RPC will continue to fully utilize its unrestricted reserves of \$1.1 million to support its programs.
2. RPC will utilize Payment Justification to circumvent Stop Payment to the fullest extent possible. After outreach to both state and federal authorities, the Auditor has confirmed and promulgated the availability of Payment Justification to release funds during the County's Stop Payment Status. Auditor Danos has provided the requisite language for grantees to obtain Payment Justifications for funds providing for public health or safety from the Chief Accountability Officers of the respective state agencies. DCEO has expressly identified LIHEAP as qualifying under this criterion. This mechanism is untested by RPC at the time of this writing.
3. Authorize a short-term interfund loan of up to \$5,300,000 from the General Fund to RPC Funds on an as-needed basis. This loan would be supported by up to \$2,000,000 from the General Fund balance, and if necessary, the issuance of a Promissory Note of up to \$3,300,000. RPC would meet with County Executive Kloeppe and Auditor Danos on a weekly basis to provide its request for funds. The amount of the requests must be exclusively connected to RPC's inability to drawdown those funds from its grantors. Upon removal of the Stop Payment status, and the reinstatement of RPC's ability to drawdown funds, RPC will reimburse the General Fund within five business days after receiving payment from its grantors.
4. Authorize the issuance of a Promissory Note not to exceed \$3,300,000 in the event RPC's request for funds exceeds \$2,000,000. Bids for the Note would only be solicited by the Treasurer after ongoing assessment of RPC's cashflow needs and a relatively certain understanding that its needs will exceed the \$2,000,000 General Fund threshold.

### **Requested Action**

1. The Champaign County Board approves adoption of Resolution No. 2021-120 authorizing a short-term loan from the General Fund to Regional Planning Commission Funds.
2. The Champaign County Board approves adoption of Ordinance No. 2021-4 providing for the issuance of a Taxable General Obligation Promissory Note in an amount not to exceed \$3,300,000 for the purpose of providing funds to the Champaign County Regional Planning Commission to finance certain operating expenses, providing for the security for and payment of said note, and authorizing the sale of said note to the purchaser thereof.

RESOLUTION NO. 2021-120

RESOLUTION AUTHORIZING A SHORT-TERM LOAN FROM THE GENERAL FUND TO  
REGIONAL PLANNING COMMISSION FUNDS

WHEREAS, the Department of Commerce and Economic Opportunity (DCEO) has provided notice to the Champaign County Regional Planning Commission (RPC) that Champaign County is not in compliance with the audit reporting requirements in accordance with the Grant Accountability and Transparency Act (GATA) due to incompleteness of Champaign County's 2019 Comprehensive Annual Finance Report; and

WHEREAS, the notice states that RPC has been added to the Illinois Stop Payment List and all cash and future funding from DCEO has been suspended effective March 17, 2021, and until the deficiencies are resolved; and

WHEREAS, it is essential for Champaign County and RPC to satisfy its obligations to its employees and to ensure the continuation of the vital services provided by RPC such as social and welfare services, workforce development programming, rental and energy assistance, education services, and many other program-related services; and

WHEREAS, the Stop Payment status may prohibit RPC from being able to draw down funding until the Stop Payment status is removed thereby creating a cashflow issue for RPC funds; and

WHEREAS, the General Fund has access to adequate reserves to make a short-term loan to RPC of up to \$2,000,000; and

WHEREAS, the County Board may borrow for any corporate purpose from any bank or financial institution through a Promissory Note or similar debt instrument provided funds are repaid within two years, and

WHEREAS, RPC has stated it may need up to \$5,300,000 to assist with cash flow until the beginning of June 2021, at which time it is anticipated the 2019 Comprehensive Annual Financial Report will be completed and the Stop Payment status will be removed; and

WHEREAS, RPC will be able to draw down funds from its grantors once the Stop Payment status is removed in order to reimburse the General Fund for the amounts it borrowed.

NOW, THEREFORE, BE IT AND HEREBY RESOLVED that the Champaign County Board approves a short-term loan of up to \$5,300,000 from the General Fund to RPC Funds on an as needed basis for the purpose of fulfilling RPC's payroll and accounts payable obligations exclusively connected to RPC's inability to draw down funds from its grantors.

BE IT FURTHER RESOLVED that the County Board directs the County Executive and County Auditor to meet with RPC on a weekly basis in order to determine the amounts necessary to ensure adequate cash flow for RPC not to exceed a total of \$5,300,000 in order to meet its payroll and accounts payable obligations exclusively connected to RPC's inability to draw down funds from its grantors.

BE IT FURTHER RESOLVED that the County Board directs the Auditor's Office to keep a record of the loan activity.

BE IT FURTHER RESOLVED that upon removal of the Stop Payment status and reinstatement of the ability of RPC to draw down funds from its grantors, RPC will reimburse the General Fund within five

RESOLUTION NO. 2021-120

RESOLUTION AUTHORIZING A SHORT-TERM LOAN FROM THE GENERAL FUND TO  
REGIONAL PLANNING COMMISSION FUNDS

business days of receiving funds requested from its grantors for amounts that were previously extended to RPC from the General Fund.

BE IT FURTHER RESOLVED that the loan shall be paid in full by RPC no later than December 31, 2021.

PRESENTED, ADOPTED, APPROVED and RECORDED this 18<sup>th</sup> day of March 2021.

\_\_\_\_\_  
Kyle Patterson,  
Chair Champaign County Board

APPROVED: \_\_\_\_\_  
Darlene Kloeppe,  
County Executive

Date: \_\_\_\_\_

RECORDED & ATTEST:

\_\_\_\_\_  
Aaron Ammons, County Clerk  
Date: \_\_\_\_\_  
STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF CHAMPAIGN    )

EXTRACT OF MINUTES of a regular public meeting of the County Board of The County of Champaign, Illinois, held in the Lyle Shields Meeting Room, Brookens Administration Center, 1776 East Washington Street, Urbana, Illinois, in said County at 6:30 o'clock P.M., on the 18th day of March, 2021.

\* \* \*

Darlene Kloeppe, the County Executive, called the meeting to order and directed the County Clerk to call the roll.

Upon roll call, the following County Board Members attended the meeting by video or audio conference: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

The following County Board Members were absent and did not participate in the meeting in any manner or to any extent whatsoever: \_\_\_\_\_ .

The County Executive determined that an in-person meeting was not practical or prudent due to the issuance by the Governor of a disaster declaration related to public health concerns in all or a part of the County, and the County Executive stated that physical presence at the meeting location was determined to be unfeasible due to the disaster.

Access to the meeting was provided to members of the public to contemporaneously hear all discussion, testimony, and roll call votes by the following means: \_\_\_\_\_

The County Executive announced that the next item for consideration was the issuance of a taxable promissory note of the County for the purpose of providing funds to the Champaign County Regional Planning Commission to finance certain operating expenses, and that the County Board would consider the adoption of an ordinance providing for the issuance of said taxable

promissory note for such purpose. The County Executive then explained that the ordinance sets forth the parameters for the issuance of said taxable promissory note and sale thereof by designated officials of the County and summarized the pertinent terms of said parameters, including the specific parameters governing the manner of sale, the length of maturity, rate of interest and purchase price of said taxable promissory note.

WHEREUPON, the County Executive presented, and the County Clerk made available to the County Board Members and interested members of the public, complete copies of an ordinance entitled:

AN ORDINANCE providing for the issuance of a Taxable General Obligation Promissory Note in an amount not to exceed \$3,300,000 for the purpose of providing funds to the Champaign County Regional Planning Commission to finance certain operating expenses, providing for the security for and payment of said note, and authorizing the sale of said note to the purchaser thereof.

(the "Note Ordinance").

County Board Member \_\_\_\_\_ moved and County Board Member \_\_\_\_\_ seconded the motion that the Note Ordinance as presented be adopted.

After a full discussion thereof, the County Executive directed that the roll be called for a vote upon the motion to adopt the Note Ordinance.

Upon the roll being called, the following County Board Members voted AYE: \_\_\_\_\_

and the following County Board Members voted NAY: \_\_\_\_\_ .

WHEREUPON, the County Executive declared the motion carried and the Note Ordinance adopted and directed the County Clerk to record the same in full in the records of the County Board of The County of Champaign, Illinois.

Other business was duly transacted at said meeting.

Upon motion duly made and carried, the meeting adjourned.

---

County Clerk

**ORDINANCE NUMBER 2021-4**

AN ORDINANCE providing for the issuance of a Taxable General Obligation Promissory Note in an amount not to exceed \$3,300,000 for the purpose of providing funds to the Champaign County Regional Planning Commission to finance certain operating expenses, providing for the security for and payment of said note, and authorizing the sale of said note to the purchaser thereof.

WHEREAS, The County of Champaign, Illinois (the “*County*”), is a duly organized and existing unit of local government created and existing under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Counties Code of the State of Illinois, as amended (the “*Counties Code*”); and

WHEREAS, the County, pursuant to Section 5-1135 of the Counties Code, may borrow money for any corporate purpose from any bank or other financial institution provided such money shall be repaid within 2 years from the time the money is borrowed; and

WHEREAS, the County Board of the County (the “*County Board*”) has considered the needs of the County and has determined and does hereby determine that it is advisable, necessary, and in the best interests of the County to provide funds to the Champaign County Regional Planning Commission to finance certain operating expenses (the “*Financing*”), the same being a lawful corporate purpose of the County; and

WHEREAS, the estimated cost of the Financing, to be paid from the original proceeds of the Note as provided in this Ordinance, does not exceed \$3,300,000; and

WHEREAS, there are insufficient funds on hand and available to pay the cost of the Financing, and it is necessary for that purpose that a sum to pay such costs be borrowed at this time; and, in evidence of such indebtedness, a general obligation promissory note of the County be issued in a principal amount not to exceed \$3,300,000 (the “*Note*”) and that such indebtedness be incurred and the Note be issued as described below:



NOW THEREFORE Be It Ordained by the County Board of The County of Champaign, Illinois, as follows:

*Section 1. Incorporation of Preambles.* The County Board hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct, and complete and does incorporate them into this Ordinance by this reference.

*Section 2. Determination to Issue Note.* It is necessary and in the best interests of the County and for the public health, safety, welfare, and convenience to provide for the Financing, to pay all related costs and expenses incidental thereto, and to borrow money and issue the Note for such purpose. It is hereby found and determined that the Financing is a proper public purpose and is in the public interest, and is authorized by Section 5-1135 of the Counties Code.

*Section 3. Note Details.* For the purpose of providing for the Financing, there shall be issued and sold a single Note. The Note shall be payable to the Purchaser (as hereinafter defined) or registered assigns as provided therein. The maximum principal face amount (the "*Face Amount*") of the Note shall be shown on the face of the Note as \$3,300,000, but only so much of the Face Amount as is shown as advanced by the Purchaser and received for value (the "*Outstanding Principal Amount*" as subject to reduction as hereinbelow provided), as evidenced by the Note, shall be payable. Such advances shall be in integral multiples of \$1,000 or such other denomination as set forth in the Notification of Sale (as hereinafter defined). The Note shall be designated "*Taxable General Obligation Promissory Note, Series 2021,*" shall be dated as of the date of the first advance (the "*Initial Advance*") and shall also bear the date of authentication thereof. The Note shall be in fully registered form. The Outstanding Principal Amount of the Note shall become due and payable (subject to prepayment as hereinafter described) on a date not later than twenty-four (24) months from the date of the Initial Advance, as set forth in the Notification of Sale.

The Outstanding Principal Amount at any time shall be made up of advances less redemptions and prepayments of principal. The Note shall bear interest on the Outstanding Principal Amount from time to time at the rate set forth in the Notification of Sale (not to exceed 4.5% per annum), in each case from the time advanced until paid or duly provided for, such interest computed upon the basis of a 360-day year of twelve 30-day months and being payable as set forth in the Notification of Sale.

The payment of principal of and interest on the Note shall be payable in lawful money of the United States of America at the office of the Treasurer of the County (the “*Treasurer*”), as registrar and paying agent (the “*Note Registrar*”); *provided* that payment of interest on the Note (other than interest payable at maturity) shall be made to the owner thereof by check or draft mailed by the Note Registrar to such owner at the address of such owner as it appears on the Note Register or at such other address as is furnished to the Note Registrar in writing by such owner.

*Section 4. Execution; Authentication.* The Note shall be executed on behalf of the County by manual or facsimile signature of the County Executive of the County (the “*County Executive*”) and attested by the manual or facsimile signature its County Clerk (the “*County Clerk*”) and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the County. In case any such officer whose signature shall appear on the Note shall cease to be such officer before the delivery of the Note, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. The Note shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Note Registrar as authenticating agent of the County for the Note and showing the date of authentication. The Note shall not be valid or obligatory for any purpose or be entitled to any security or benefit under this Ordinance unless and until such certificate of authentication shall have been duly executed by the Note Registrar by manual signature, and such

certificate of authentication upon the Note shall be conclusive evidence that the Note has been authenticated and delivered under this Ordinance.

*Section 5. Optional Redemption and Prepayment.* Unless otherwise set forth in the Notification of Sale, the Note is subject to redemption and prepayment prior to maturity at the option of the County on any date, from any available funds, in part or in whole on any date, at the prepayment price of par plus accrued interest to the date fixed for redemption.

*Section 6. Redemption Procedure.* The County shall, at least 5 days prior to a redemption and prepayment date (unless a shorter time period shall be satisfactory to the Note Registrar), notify the Note Registrar of such redemption date and of the principal amount of the Note to be redeemed. Unless waived by the owner of the Note, official notice of any such redemption and prepayment shall be given by the Note Registrar on behalf of the County by mailing the redemption notice by regular mail not less than 5 days and not more than 30 days prior to the date fixed for redemption to the registered owner of the Note at the address shown on the Note Register or at such other address for notice as is furnished in writing by the registered owner to the Note Registrar. Notices of redemption and prepayment shall include at least the following information: the date of redemption and prepayment; the redemption and prepayment price; a statement that the Note or portion thereof, shall become due and payable on the redemption date and shall thereupon cease to bear interest; and the place where the Note or portion thereof shall be surrendered for redemption and prepayment (the designated office of the Note Registrar).

Notice of redemption and prepayment having been given as aforesaid, the Note or portion thereof shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such redemption date (unless the County shall default in the payment of the redemption price) the Note or portion thereof shall cease to bear interest. Notice having been properly given, failure of the registered owner of the Note to receive such notice shall not be

deemed to invalidate, limit or delay the effect of the notice or action described in the notice. Such notice may be waived in writing by the registered owner of the Note, either before or after the event, and such waiver shall be the equivalent of such notice.

Upon surrender of such Note or portion thereof for redemption and prepayment in accordance with notice, the Note or portion thereof shall be paid and redeemed by the Note Registrar at the redemption price. If the Note or portion thereof shall not be so paid upon surrender, the principal amount thereof due shall, until paid or duly provided for, continue to bear interest from the redemption date at the rate borne by the Note or portion thereof.

*Section 7. Registration of the Note; Person Treated as Owner.* The County shall cause a book (the “*Note Register*”) for the registration and for the transfer of the Note as provided in this Ordinance to be kept at the designated office of the Note Registrar, which shall be the registrar of the County for the Note. The Note may be transferred as a whole but not in part, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer of the Note at the designated office of the Note Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory to the Note Registrar and duly executed by the registered owner or an attorney for such owner duly authorized in writing, the County shall execute and the Note Registrar shall authenticate, date, and deliver in the name of the transferee, a new fully registered Note of like tenor. The execution by the County of any fully registered Note shall constitute full and due authorization of such Note, and the Note Registrar shall thereby be authorized to authenticate, date, and deliver such Note. The person in whose name the Note shall be registered shall be deemed and regarded as the absolute owner thereof for all purposes, and payment of the principal of or interest on the Note shall be made only to or upon the order of the registered owner thereof or his or her legal representative. All such payments shall be valid and effectual to satisfy and discharge the liability

upon the Note to the extent of the sum or sums so paid. No service charge shall be made to any registered owner of the Note for any transfer of the Note, but the County or the Note Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any such transfer.

*Section 8. Form of Note.* The Note shall be in the form set forth in the Notification of Sale.

*Section 9. Security; Payment.* The obligation to make the payments due under the Note shall be a lawful direct general obligation of the County payable from the general funds of the County and such other sources of payment as are otherwise lawfully available. THERE IS NO STATUTORY AUTHORITY FOR THE LEVY OF A SEPARATE TAX IN ADDITION TO OTHER TAXES OF THE COUNTY OR THE LEVY OF A SPECIAL TAX UNLIMITED AS TO RATE OR AMOUNT TO PAY ANY OF THE AMOUNTS DUE HEREUNDER.

*Section 10. Sale of the Note.* The County Executive and the Treasurer (the “*Designated Representatives*”) are hereby authorized to proceed not later than September 18, 2021, without any further authorization or direction from the County Board, to sell the Note upon the terms as prescribed in this Ordinance. The Note hereby authorized shall be executed as in this Ordinance provided as soon after passage hereof as may be, and thereupon be deposited with the Treasurer, and be by the Treasurer delivered to the purchaser thereof (the “*Purchaser*”) upon payment of the purchase price agreed upon and set forth in the Notification of Sale. The Purchaser shall be selected by the Treasurer and shall be (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Local Government Debt Reform Act of the State of Illinois, as amended, or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended.

Upon the sale of the Note, the Designated Representatives shall prepare a Notification of Sale of the Note, which shall include the pertinent details of sale as provided herein (the “*Notification of Sale*”). In the Notification of Sale, the Designated Representatives shall find and determine that the Note has been sold at such price and bears interest at such rate that either the true interest cost (yield) or the net interest rate received upon the sale of the Note does not exceed the maximum rate otherwise authorized by applicable law. The Notification of Sale shall be entered into the records of the County and made available to the Board at the next regular meeting thereof; but such action shall be for information purposes only, and the Board shall have no right or authority at such time to approve or reject such sale as evidenced in the Notification of Sale.

Upon the sale of the Note, as evidenced by the execution and delivery of the Notification of Sale by the Designated Representatives, the Designated Representatives and any other officials of the County, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Note as may be necessary, including, without limitation, the offer for the sale of the Note to the Purchaser (the “*Purchase Contract*”). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that no person holding any office of the County, either by election or appointment, is in any manner financially interested directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

*Section 11. Creation of Funds and Appropriations.* Funds are established and Note proceeds and other funds of the County are hereby appropriated as follows:

- A. Any amounts designated from time to time to pay the Note are hereby ordered to be deposited into the “General Corporate Fund Debt Service” of the County (the “*Debt Service Fund*”). The County shall segregate such amounts within a dedicated subaccount of the Debt Service Fund.

B. The principal proceeds of the Note shall be deposited into the general corporate fund of the County and used for the Financing.

*Section 12. Pertaining to the Note Registrar.* The Note Registrar agrees as follows:

A. to act as registrar, authenticating agent, paying agent, and transfer agent as provided herein;

B. to maintain a list of the Note owners as set forth herein and to furnish such list to the County upon request, but otherwise to keep such list confidential to the fullest extent permitted by law;

C. to give notice of prepayment of the Note or portion thereof as provided herein;

D. to cancel and/or destroy any Note which has been prepaid, paid at maturity or submitted for transfer; and

E. to furnish the County at least annually an audit confirmation of amounts paid, amounts outstanding, and payments made with respect to the Note.

The County Clerk is hereby directed to file a copy of this Ordinance with the Note Registrar.

[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK]

*Section 13. Superseder and Effective Date.* All ordinances, resolutions, and orders, or parts thereof, in conflict herewith, are to the extent of such conflict hereby superseded; and this Ordinance shall be in full force and effect immediately upon its passage and approval.

AYES: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

NAYS: \_\_\_\_\_

ABSENT: \_\_\_\_\_

ADOPTED: March 18, 2021

\_\_\_\_\_  
Kyle Patterson, Chair  
Champaign County Board

APPROVED:

\_\_\_\_\_  
Darlene A. Kloepfel, County Executive  
Date: March \_\_\_\_, 2021

RECORDED & ATTEST:

\_\_\_\_\_  
Aaron Ammons, County Clerk  
and ex-officio Clerk of the  
Champaign County Board  
Date: March \_\_\_\_, 2021



STATE OF ILLINOIS                    )  
  ) SS  
COUNTY OF CHAMPAIGN            )

**CERTIFICATION OF ORDINANCE AND MINUTES**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois (the “*County*”), and as such official I am the keeper of the records and files of the County Board of the County (the “*County Board*”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the County Board held on the 18th day of March, 2021, insofar as same relates to the adoption of Ordinance No. 2021-4 entitled:

AN ORDINANCE providing for the issuance of a Taxable General Obligation Promissory Note in an amount not to exceed \$3,300,000 for the purpose of providing funds to the Champaign County Regional Planning Commission to finance certain operating expenses, providing for the security for and payment of said note, and authorizing the sale of said note to the purchaser thereof.

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 County Board on the adoption of said ordinance were conducted 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 of the news media requesting such notice, that an agenda for said meeting was posted at the location where said meeting was held and at the principal office of the County Board at least 48 hours in advance of the holding of said meeting, that at least one copy of said agenda was continuously available for public review during the entire 48-hour period preceding said meeting, that a true, correct and complete copy of said agenda as so posted is attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Counties Code of the State of Illinois, as amended, and that the County Board has complied with all of the applicable provisions of said Act and said Code and with all of its procedural rules in adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the County, this 18th day of March, 2021.

\_\_\_\_\_  
County Clerk

[SEAL]