

**Item #7:**

**Ord. Authorizing Transfer Open Space Bonds To General Fund**

**VILLAGE OF LONG GROVE**

**ORDINANCE NO. 2016-O-\_\_**

**AN ORDINANCE PROVIDING FOR THE TRANSFER OF \$2,400,000  
OF TAX INCREMENT ALLOCATION REVENUE BONDS  
(LONG GROVE REDEVELOPMENT PROJECT), SERIES 2009A AND  
SERIES 2011A OF THE VILLAGE OF LONG GROVE, LAKE COUNTY, ILLINOIS**

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**Adopted by the President and Board of Trustees  
of the Village of Long Grove  
this \_\_\_\_ day of June, 2016**

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**Published in pamphlet form by direction  
and authority of the Village of Long Grove,  
Lake County, Illinois  
\_\_\_\_ day of June, 2016**

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BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LONG GROVE, LAKE COUNTY, ILLINOIS, AS FOLLOWS:

**Section 1. Recitals.**

**A.** The Village of Long Grove, Lake County, Illinois (the "**Village**") has heretofore adopted a Redevelopment Plan and Project and designated a portion of the Village as a "redevelopment project area" (the "**TIF District**") pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended (the "**Act**"), and has otherwise complied with all other conditions precedent required by the Act. The Village has heretofore adopted tax increment allocation financing pursuant to the Act with respect to such Redevelopment Plan and Project and TIF District.

**B.** In furtherance of the Redevelopment Plan and Project for the TIF District, the Village has undertaken certain capital improvements in furtherance of the Redevelopment Plan and Project and has incurred costs for such improvements and other costs relating to the TIF District.

**C.** Pursuant to Ordinance No. 2009-O-43, the President and Board of Trustees authorized the issuance of certain tax increment allocation revenue bonds, Series 2009A of the Village of Long Grove, in the aggregate principal amount of \$1,500,00 (the "**Series 2009A Bonds**"). Pursuant to Ordinance No. 2011-O-07, the President and Board of Trustees authorized the issuance of certain additional tax incremental allocation revenue bonds, Series 2011A of the Village of Long Grove, in the aggregate principal amount of \$900,000 (the "**Series 2011A Bonds**"). The Series 2009A Bonds and Series 2011A Bonds were issued to borrow funds to pay project costs in furtherance of the Redevelopment Plan and Project for the TIF District.

**D.** Pursuant to Ordinance Nos. 2009-O-42, 2009-O-43, and 2011-O-07, the Village authorized the investment of: (i) \$1,500,000 of the Depository IV (Open Space) Fund moneys in the Series 2009A Bonds, and (ii) \$900,000 of the Depository IV (Open Space) Fund moneys in the Series 2011A Bonds, pursuant to 50 ILCS 340/1 *et seq.*

**E.** The Series 2009A Bonds are scheduled to mature according to the schedule set forth in Ordinance No. 2009-O-43, with maturity dates beginning on December 1, 2009 and ending on December 1, 2019 ("**Series 2009A Maturity Dates**"). The Series 2009A Bonds bear interest at an annual rate of 4%, to be paid on the principal balance of each of the Series 2009A Bonds as of the applicable Series 2009A Maturity Date.

**F.** The Series 2011A Bonds are scheduled to mature according to the schedule set forth in Ordinance No. 2011-O-07, with maturity dates beginning on December 1, 2011 and

ending on December 1, 2018 ("**Series 2011A Maturity Dates**"). The Series 2011A Bonds bear interest at an annual rate of 4%, to be paid on the principal balance of each of the Series 2011A Bonds as of the applicable Series 2011A Maturity Date.

**G.** Pursuant to Ordinance Nos. 2009-O-43 and 2011-O-07, to the extent that all interest and principal due on any Series 2009A Maturity Date or Series 2011A Maturity Date is not paid in full, such unmet interest or principal obligation is deemed an arrearage, and a two percent (2%) charge (an "**Arrearage Charge**") is assessed on the amount of any such unpaid interest and principal.

**H.** To date, the Depository IV (Open Space) Fund has acquired the entire \$1,500,000 amount of the Series 2009A Bonds (the "**Series 2009A Bonds Face Value**") and \$538,125.00 of the Series 2011A Bonds (the "**Series 2011A Bonds Face Value**"). The Depository IV (Open Space) Fund has not received payments of all principal and interest due on the Series 2009A Bonds or the Series 2011A Bonds since the issuance of such Bonds, and has received no principal or interest payments on the Series 2009A Bonds or the Series 2011A Bonds for several years. The Depository IV (Open Space) Fund has also not received payment of accrued Arrearage Charges on either the Series 2009A Bonds or the Series 2011A Bonds.

**I.** The Village has sought an independent third party valuation opinion of the present market value of the Series 2009A Bonds and the Series 2011A Bonds. Based on such opinion, the Village President and Board of Trustees have determined that the present market value of the Series 2009A Bonds is \$\_\_\_\_\_ and the present market value of the Series 2009A Bonds Face Value is \$\_\_\_\_\_.

**J.** It is hereby found and determined that the best interests of the Village and its residents will be served by transferring the Series 2009A Bonds and the Series 2011A Bonds from the Depository IV (Open Space Fund) to the General Fund of the Village.

**K.** Notwithstanding the present market value of the 2009A and 2011A Bonds, the Village President and Board of Trustees have found and determined that it is in the best interests of the Village and its residents to authorize the General Fund to acquire the Series 2009A Bonds and the Series 2011A Bonds from the Depository IV (Open Space) Fund for their face value, not including accrued and unpaid interest or Arrearage Charges.

**L.** The Village is authorized to invest its General Fund moneys in the Series 2009A Bonds and Series 2011A Bonds pursuant to 50 ILCS 340/1 *et seq.*

**M.** It is hereby found and determined that the best interests of the Village and its residents will be served by: (i) investing \$1,500,000 of the General Fund moneys in the Series 2009A Bonds; (ii) investing \$538,125 of the General Fund moneys in the Series 2011A Bonds; and (iii) approving the transfer of the Series 2009A Bonds and the Series 2011A Bonds from the Depository IV (Open Space) Fund to the General Fund.

**Section 2. Authorization to Invest in the Series 2009A Bonds.** Subject to the terms and conditions of this Ordinance, the President and Board of Trustees hereby authorize and approve the investment of \$1,500,000 of the General Fund moneys to acquire all of the Series 2009A Bonds and all right, title, and interest therein from the Depository IV (Open Space) Fund for \$1,500,000.00.

**Section 3. Authorization to Invest in the Series 2011A Bonds.** Subject to the terms and conditions of this Ordinance, the President and Board of Trustees hereby authorize and approve the investment of \$538,125 of the General Fund moneys to acquire all of the Series 2011A Bonds and all right, title, and interest therein from the Depository IV (Open Space) Fund for \$538,125.00. In addition, the General Fund is authorized to acquire the remainder of the face value of the 2011A Bonds in an amount not more than \$361,875.00.

**Section 4. Approval of Transfer of Series 2009A Bonds and Series 2011A Bonds to the General Fund.** The President and Board of Trustees hereby approve the transfer of the Series 2009A Bonds and the Series 2011A Bonds from the Depository IV (Open Space) Fund to the General Fund as set forth in this Ordinance. Ordinance No. 2009-O-43 is hereby amended to identify the General Fund of the Village of Long Grove as the Bondholder of the Series 2009A Bonds. Ordinance No. 2011-O-07 is hereby amended to identify the General Fund of the Village of Long Grove as the Bondholder of the Series 2011A Bonds. All proceeds from the transfer of the Series 2009A Bonds and the Series 2011A Bonds pursuant to this Ordinance shall be deposited in the Depository IV (Open Space) Fund.

**Section 5. Direction and Authorization.** The President and Board of Trustees hereby authorize and direct the Village Manager, in consultation with the Village Attorney, to prepare all documents and information reasonable necessary or convenient to cause the transfer of the Series 2009A Bonds and the Series 2011A Bonds from the Depository IV (Open Space) Fund to the General Fund and to effect the matters set forth in this Ordinance. The Village President and Village Clerk are hereby authorized to execute and attest all such documents in their final form, as approved by the Village Manager in consultation with the Village Attorney. Upon the completion of the transfers authorized and approved by this Ordinance, the Village Manager, in consultation with the Village Attorney, is further authorized and directed to register the transfer of the Series 2009A Bonds and the Series 2011A Bonds from the Depository IV (Open Space) Fund to the General Fund in the books kept for such purposes at the principal office of the Village.

**Section 6. Supersedence; Repealer.** This Ordinance shall supersede all prior ordinances, resolutions, or other actions of the Village Board relating to transfer of the Series 2009A Bonds or the Series 2011A Bonds, and all such prior ordinances, resolution, or actions are hereby repealed to the extent of any conflict with the provisions of this Ordinance. In addition, Section 4 of Ordinance No. 2009-O-42 (as amended by Ordinance No. 2011-O-6) is hereby repealed in its entirety.

**Section 7. Effective Date.** This Ordinance shall be in full force and effect upon passage and publication as required by law.

PASSED THIS \_\_\_\_ DAY OF JUNE, 2016.

AYES: ( )

NAYS: ( )

ABSENT: ( )

APPROVED THIS \_\_\_\_ DAY OF JUNE, 2016

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Village President

ATTEST:

\_\_\_\_\_  
Village Clerk

DRAFT