ORDINANCE REAPPROPRIATING UNEXPENDED PROCEEDS OF THE GENERAL OBLIGATION BONDS, SERIES 2010A, OF THE CITY OF DEKALB, ILLINOIS AND APPROVING ADDITIONAL REDEVELOPMENT PROJECTS WITHIN THE CENTRAL REDEVELOPMENT PROJECT AREA.

WHEREAS, on December 22, 1986 the City Council (the “City Council”) of the City of DeKalb, Illinois (the “City”) adopted a Redevelopment Plan and Project (the “Plan”) for an area designated as the Central Redevelopment Project Area (the “Project Area”) and adopted tax increment financing for the Project Area under the provisions of the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. (the “Act”) to pay “Redevelopment Project Costs” under the Act; and,

WHEREAS, pursuant to the Act and by action of the City Council the Plan was amended in 2008 to extend the term of the Plan until December 31, 2020; and,

WHEREAS, on April 12, 2010, the City Council adopted an ordinance entitled “Ordinance Authorizing the Issuance of Not to Exceed $10,800,000 General Obligation Bonds of 2010, of the City of DeKalb, Illinois” (the “2010 Bond Ordinance”) which authorized the issuance of not exceeding $10,800,000 of the City’s General Obligation Bonds, Series 2010A (the “Series 2010A Bonds”) to refund certain outstanding bond anticipation notes of the City and to pay costs of the Downtown Streetscape Project with the Redevelopment Project Area (the “Streetscape Program”); and,

WHEREAS, $10,800,000 principal amount of Series 2010A Bonds were issued on May 27, 2010; and,

WHEREAS, $4,497,308.83 of the sale proceeds of the Series 2010 Bonds were set aside for the Streetscape Program all of which costs were declared to be Redevelopment Project Costs under the Act; and,

WHEREAS, costs of the Streetscape Program have been paid or provision for payment of such costs has been made; and,

WHEREAS, there remains unexpended and unencumbered the amount of $1,265,000; and,

WHEREAS, Section 13 of the Original Ordinance provides that moneys to be used to pay capital expenditures constituting costs of the Streetscape Program, may thereafter be reappropriated and used for other purposes if such reappropriation is permitted under Illinois law, including the Act; and,

WHEREAS, the Plan provided for up to $11,000,000 to be expended on costs of rehabilitation, restoration or repair or remodeling of existing public or private buildings located in the Redevelopment Project Area and approximately $1,300,000 of such amount has been expended as of the date hereof; and,

WHEREAS, there exists within the Redevelopment Project Area a theater open to the public known as the “Egyptian Theater” (the “Theater”) which is owned by the DeKalb County Metropolitan Exposition Authority (the “Authority”) and managed by Preservation of the Egyptian Theater, Inc. of the Egyptian Theater, Inc, an Illinois not-for-profit corporation (the
“Manager”) which has been granted status as a 501(c)(3) corporation by the Internal Revenue Service; and,

WHEREAS, the Egyptian Theater is in need of significant repair, remodeling and rehabilitation, including the installation of air conditioning to permit summer activities, replacement of obsolete seating and the replacement and relocation of its sound system (collectively the “Egyptian Theater Improvements”); and,

WHEREAS, within the Redevelopment Project Area, there is additional need for the resurfacing of deteriorated public parking lots (the “Infrastructure Improvements”) and together with the Egyptian Theater Improvements, the “Additional Projects”); and

WHEREAS, all costs of the Additional Projects would constitute Redevelopment Project Costs under the Act and are of a type permitted under the Redevelopment Plan; and,

WHEREAS, the City has determined that the costs of the Additional Projects qualify as “Redevelopment Project Costs” within the meaning of the Act; and,

WHEREAS, the City Council of the City have reviewed the conditions in the Redevelopment Project Area to determine whether the contiguous parcels and improvement thereon making up the Redevelopment Project Area would be substantially benefited by the Additional Projects; and have reviewed the Redevelopment Plan and the comprehensive plan for development of the City as a whole to determine whether the Additional Projects would more closely conform the Plan to the comprehensive plan of the City, all in conformity with and pursuant to the Act; now,

THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF DEKALB, ILLINOIS AS FOLLOWS:

Section 1. Authority. This ordinance is adopted pursuant to Section 6 of Article VII of the Illinois Constitution of 1970.

Section 2. Findings and Determinations. The City Council of the City of DeKalb hereby makes the following findings:

(a) The Infrastructure Improvements are ameliorate conditions of blight within the Redevelopment Project Area; and

(b) The Egyptian Theater Improvement ameliorate conditions of deterioration and obsolescence which would otherwise constitutes “blight” within the Redevelopment Area; and

(c) The Additional Projects is unlikely to be implemented without providing for the use of the unexpended improvements of the Series 2010A Bonds or by tax receipts held in that certain Tax Allocation Fund (the “Fund”) of the City for the Redevelopment Project Area; and

(d) The Additional Project Costs qualify as Redevelopment Project Costs under the Act; and

(e) The Additional Projects conform to the comprehensive plan of the City as a whole; and

(f) The parcels of real property in the Redevelopment Project Area are contiguous and unchanged by the Additional Projects, and shall substantially benefit from the Additional Projects and the implementation of the Additional Projects do not increase the total costs of the Plan by more than 5% after adjustment for inflation from the date the Plan was adopted; and

(g) The Additional Projects do not: (i) add additional parcels to the Redevelopment Project Area; (ii) substantially affect the general land uses under the Plan; (iii) substantially
change the redevelopment project; or (iv) include any residential units to be displaced in the Redevelopment Project Area.

Section 3. Reappropriation of Unexpended Proceeds. The Unexpended Proceeds are hereby reappropriated to pay the costs of the Additional Projects described in Exhibit A attached hereto. The Additional Projects are hereby designated as Redevelopment Project Costs under the meaning of the Act. The Mayor, the City Manager, the Assistant City Manager and the other officers and officials of the City are authorized and directed to do, or cause to be done, all things necessary to accomplish the purposes contemplated to this ordinance.

Section 4. Full Force and Effect. This Ordinance shall be in full force and effect upon its passage. All ordinances or resolutions in conflict herewith are hereby repealed insofar as such conflict exists.

Section 5. Pamphlet Form. The City Clerk be and is hereby directed to publish this Ordinance in pamphlet form. Passed and adopted this 23rd day of May, 2011 by roll call vote as follows:


Nays: None.

Absent: None.

Approved:

[KRIS POVLSEN, Mayor]

Published in pamphlet form: May 24, 2011.

Attest:

[STEVEN C KAPITAN, City Clerk]
CERTIFICATE

I, STEVEN C. KAPITAN, City Clerk of the City of DeKalb, Illinois, hereby certify that the foregoing ordinance entitled:

ORDINANCE 11-22

“ORDINANCE REAPPROPRIATING UNEXPENDED PROCEEDS OF
THE GENERAL OBLIGATION BONDS, SERIES 2010A, OF THE CITY
OF DEKALB, ILLINOIS AND APPROVING ADDITIONAL
REDEVELOPMENT PROJECTS WITHIN THE CENTRAL
REDEVELOPMENT PROJECT AREA,”

is a true copy of an original ordinance that was duly adopted by the recorded affirmative votes of a majority of the members of the City Council of the City at a meeting thereof that was duly called and held at 7:00 p.m. on May 23, 2011, in the Council Chambers at the DeKalb Municipal Building, and at which a quorum was present and acting throughout, and that said copy has been compared by me with the original ordinance signed by the Mayor on May 23, 2011, and thereafter published in pamphlet form on May 24, 2011, and recorded in the Ordinance Book of the City and that it is a correct transcript thereof and of the whole of said ordinance, and that said ordinance has not been altered, amended, repealed or revoked, but is in full force and effect.

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

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the City, this 26th day of May, 2011.

(Seal)

STEVEN C. KAPITAN, City Clerk
Exhibit A

Estimate of Cost for the Additional Projects

1. Egyptian Theatre Improvements

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>New Fixed Seats</td>
<td>$430,000</td>
</tr>
<tr>
<td>New Sound System/Relocation</td>
<td>$160,000</td>
</tr>
<tr>
<td>Air Conditioning</td>
<td>$500,000</td>
</tr>
<tr>
<td><strong>Total Cost</strong></td>
<td>$1,090,000</td>
</tr>
<tr>
<td><strong>Donations/Pledges to Date</strong></td>
<td>$200,000</td>
</tr>
<tr>
<td><strong>Net Cost</strong></td>
<td>$890,000</td>
</tr>
<tr>
<td><strong>FY-12 Annual Allocation</strong></td>
<td>$125,000</td>
</tr>
<tr>
<td>Remaining proceeds (part) from $10.8M downtown TIF Bond</td>
<td>$765,000</td>
</tr>
</tbody>
</table>

2. Infrastructure Improvements

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>Resurfacing and Landscaping Improvements for Public Parking Lots in Project Area</td>
<td>$500,000</td>
</tr>
</tbody>
</table>