ORDINANCE NO. ____

AN ORDINANCE APPROVING THE TRANSFER OF VOLUME CAP IN CONNECTION WITH PRIVATE ACTIVITY BOND ISSUES, AND RELATED MATTERS.

WHEREAS, the City of Washington, Tazewell County, Illinois (the *"Municipality"*) is a municipality and a home rule unit of government under Section 6 of Article VII of the 1970 Constitution of the State of Illinois; and

WHEREAS, Section 146 of the Internal Revenue Code of 1986, as amended (the *"Code"*), provides that the Municipality has volume cap equal to $105 per resident of the Municipality in calendar year 2019, which volume cap may be allocated to certain tax-exempt private activity bonds; and

WHEREAS, the Illinois Private Activity Bond Allocation Act, 30 *Illinois Compiled Statutes 2008,* 345/1 *et seq.*, as supplemented and amended (the *"Act"*), provides that a home rule unit of government may transfer its allocation of volume cap to any other home rule unit of government, the State of Illinois or any agency thereof or any non-home rule unit of government; and

WHEREAS, it is now deemed necessary and desirable by the Municipality to transfer its entire volume cap allocation for calendar year 2019 to the City of Aurora, Kane, DuPage, Will and Kendall Counties, Illinois (the *"Issuer"*) to be applied toward the issuance of single family mortgage revenue bonds by the Issuer (the *"Bonds"*) or for such other purpose permitted by this Ordinance;

NOW, THEREFORE, Be It Ordained by the City Council of the City of Washington, Tazewell County, Illinois, as follows:

SECTION 1. That, pursuant to Section 146 of the Code and the Act, the entire volume cap of the Municipality for calendar year 2019 is hereby transferred to the Issuer, which shall issue the Bonds using such transfer of volume cap, without any further action required on the part of the Municipality, and the adoption of this Ordinance shall be deemed to be an allocation of such volume cap to the issuance of the Bonds or other private activity bonds.

SECTION 2. That the Municipality and the Issuer shall maintain a written record of this Ordinance in their respective records during the term that the Bonds or any other such bonds to which such volume cap is allocated remain outstanding.

SECTION 3. That the Mayor, the City Clerk and all other proper officers, officials, agents and employees of the Municipality are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents and certificates as may be necessary to further the purposes and intent of this Ordinance.

SECTION 4. That the provisions of this Ordinance are hereby declared to be separable, and if any section, phrase or provision of this Ordinance shall for any reason be declared to be invalid, such declaration shall not affect the remainder of the sections, phrases and provisions of this Ordinance.

SECTION 5. That all ordinances, resolutions or orders, or parts thereof, in conflict herewith are, to the extent of such conflict, hereby superseded; and that this Ordinance shall be in full force and effect upon its adoption and approval.

Presented, passed, approved and recorded this ___ day of __________, 2019.

Approved:

____
Mayor

[SEAL]

ATTEST:

____
City Clerk

Ayes: ____

____

Nays: ____

Absent or Not Voting: ____

Assist

Homeownership Program

Utilizing a two-pronged approach to assist homebuyers, the program is sponsored by communities throughout the state to promote home ownership. The home buyer assistance feature of the Assist program provides families with funds to pay all or most of their closing costs and down payment, enabling families with good credit but little available capital to buy their home. The mortgage credit certificate ("MCC") feature reduces the homebuyer's ongoing cost of borrowing whenever market conditions result in uncompetitive interest rates for loans funded in the tax-exempt bond market.

Overview

- Communities join together through an Inter-governmental Cooperation Agreement
- Home rule communities may contribute private activity bond volume cap to support either a tax-exempt bond issuance or the MCC feature
- Non-home rule communities apply for volume cap from the State
- No financial contribution or commitment required from any participant
- Any Illinois municipality can participate

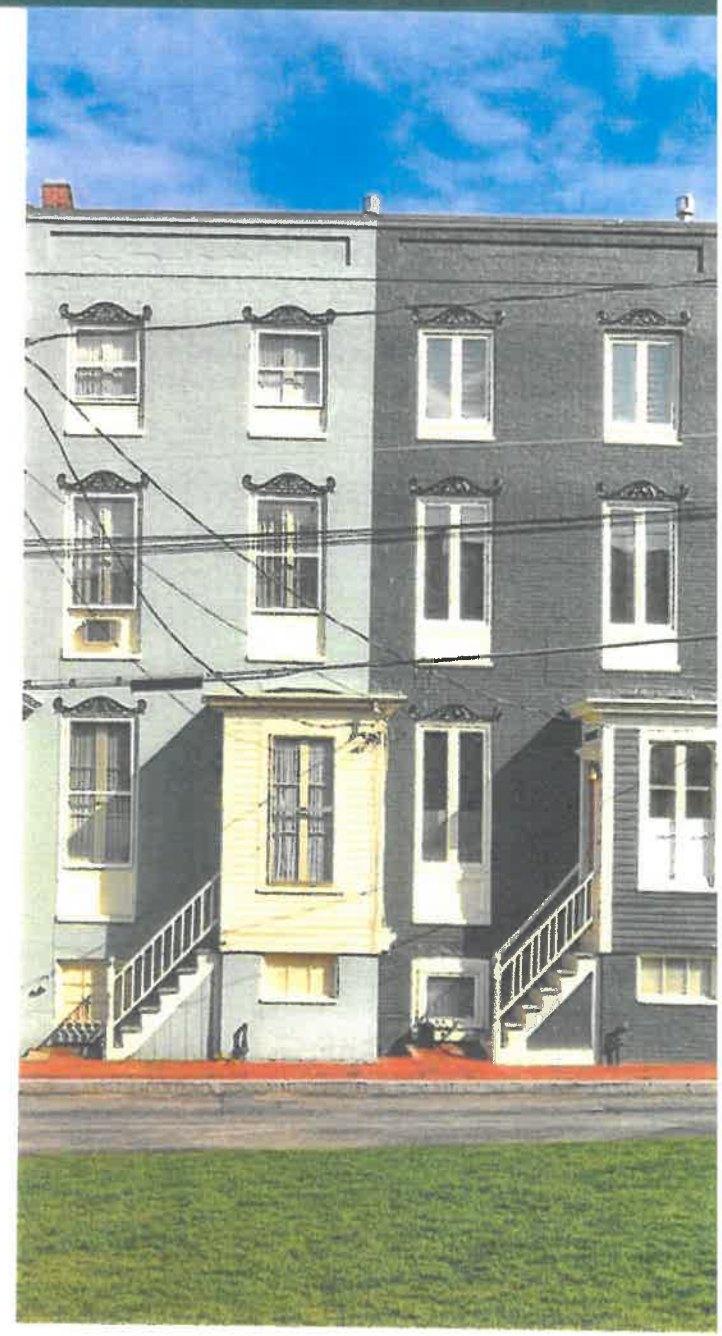
Loan Funding

- Loans are funded with proceeds of tax-exempt bonds or through the direct sale of taxable mortgage-backed securities based on the sale method providing the lowest interest rate
- The bonds and securities are sold at a premium, a price greater than their face amount, which provides funding for the home buyer assistance
- Proceeds are used to make the home loans and fund the assistance
- The bonds and securities are not a debt of the municipalities or paid from any participating community's funds, and are secured only with loans on the homes purchased
- The City of Aurora acts as issuer on behalf of all the communities

Loan Description

- 30 year fixed rate loans
- FHA/VA/RDA (640 minimum credit score) and Conventional (660 minimum credit score) loans are available
- Assist pays 3% to 7% cash grant to qualifying home buyers to fund closing costs and down payment assistance.

Assist Homeownership Program



Qualifying Homebuyers

- Will occupy the home as their residence
- Meet income and purchase price guidelines

Mortgage Credit Certificates

- MCC's are a federally authorized program created as an alternative to tax-exempt housing bonds to reduce effective interest costs for qualifying homebuyers
- MCC's allow the homebuyer to qualify for a federal income tax credit equal to a percentage of the interest paid on their home loan each year
- MCC holders still qualify for a regular deduction of the remaining interest paid on their home loan

	Without MCC	With MCC
Mortgage Amount	$100,000	$100,000
Mortgage Interest Rate	4.50%	4.50%
Monthly Mortgage Payment (first year interest = $4,467.00)	$506.69	$506.69
MCC Rate	N/A	35%
Monthly Credit Amount (First Year Average) (35% of $4,467.00 is first year credit)	N/A	$130.29
"Effective" Monthly Mortgage Payment	$506.69	$376.40

Assist Advantages

- Provides additional home ownership opportunities in each community
- Home ownership provides added stability in a community
- Serves the large segment of potential home buyers who qualify for loans but lack funds for a down payment and closing costs
- Strategic alliance with lenders throughout the state
- Customized marketing in each municipality
- No out-of-pocket expense to any community to participate

Assist

INCOME AND PURCHASE PRICE LIMITS

COUNTY NAME	INCOME LIMITS				PURCHASE PRICE LIMITS	
	Targeted		Non-Targeted			
	1 or 2 People	3 or More People	1 or 2 People	3 or More People	Targeted	Non-Targeted
BOONE	NA	NA	$77,900	$89,585	NA	$312,353
COOK	$101,520	$118,440	$84,600	$97,290	$414,117	$338,823
CHAMPAIGN	$93,480	$109,060	$77,900	$89,585	$354,281	$289,866
DEKALB	$93,480	$109,060	$78,058	$89,759	$414,117	$338,823
DUPAGE	NA	NA	$84,600	$97,290	NA	$338,823
KANE	$101,520	$118,440	$84,600	$97,290	$414,117	$338,823
KENDALL	NA	NA	$95,700	$110,055	NA	$338,823
LAKE	$101,520	$118,440	$84,600	$97,290	$414,117	$338,823
MADISON	$93,480	$109,060	$77,900	$89,585	$354,281	$289,866
McLEAN	$109,920	$105,340	$91,600	$105,340	$354,281	$289,866
ST. CLAIR	$93,480	$109,060	$77,900	$89,585	$354,281	$289,866
SANGAMON	$94,200	$109,900	$78,500	$90,275	$354,281	$289,866
WILL	$101,520	$118,440	$84,600	$97,290	$414,117	$338,823
WINNEBAGO	$93,480	$109,060	$77,900	$89,585	$381,764	$312,353
OTHER PROGRAM AREAS	$93,480	$109,060	$77,900	$89,585	$354,281	$289,866

Assist

PARTICIPATING COMMUNITIES

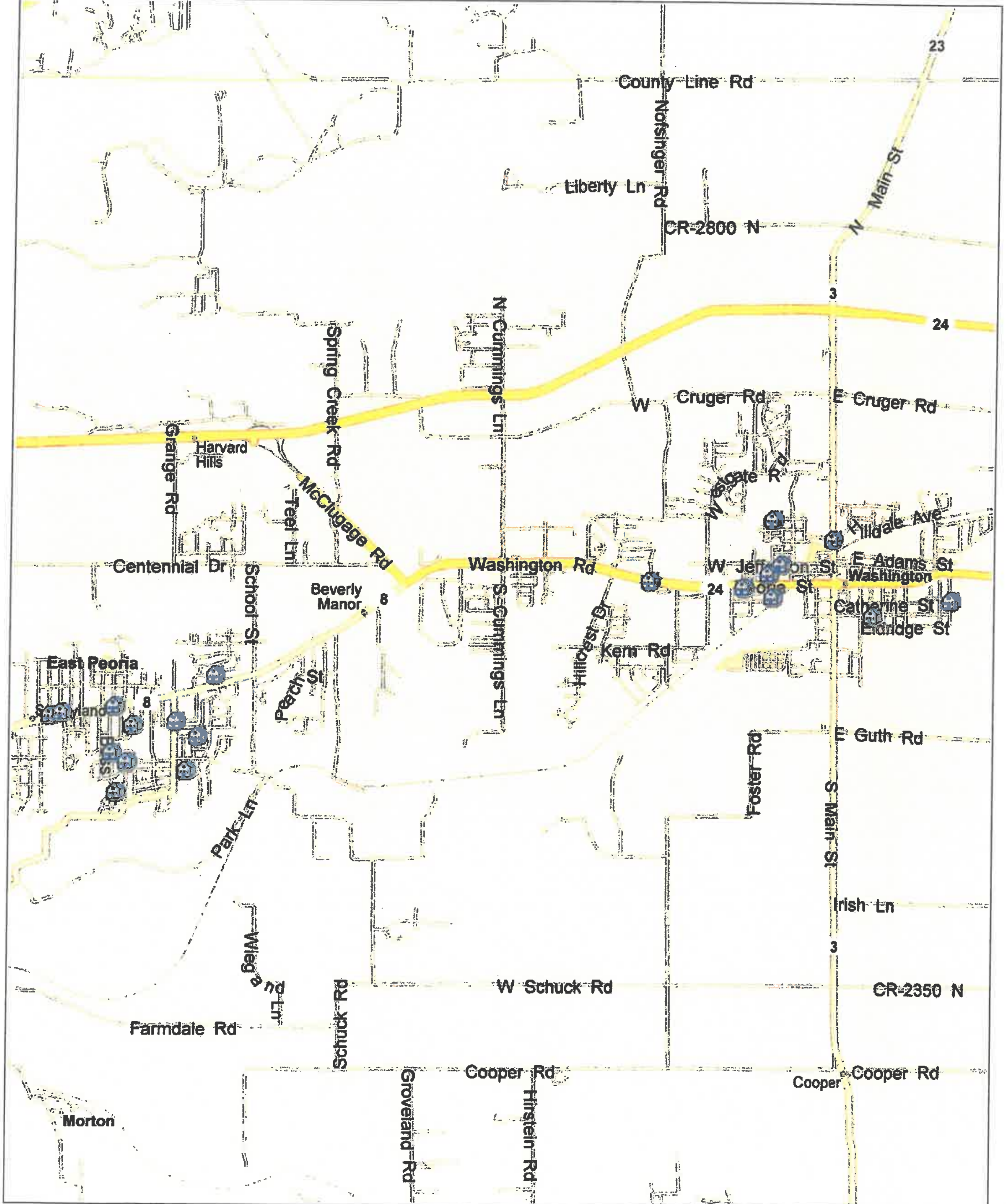
City of Aurora
Village of Bartonville
City of Belleville
City of Belvidere
Village of Bridgeview
City of Champaign
City of Charleston
City of Collinsville
City of Crest Hill
Village of Creve Coeur
City of Decatur
City of East Moline
City of East Peoria
City of Edwardsville
Village of Godfrey
City of Joliet

Village of Justice
City of LaSalle
City of Lockport
City of Loves Park
Village of Machesney Park
Village of Marquette Heights
City of Mattoon
Village of Mendota
Village of Minooka
Village of Montgomery
City of Naperville
City of Pekin
City of Peoria
Village of Peoria Heights
City of Peru
Village of Plainfield

City of Princeton
City of Rochelle
City of Rockford
Village of Rockton
Village of Romeoville
City of Schaumburg
Village of Shorewood
City of South Beloit
City of Springfield
City of Urbana
City of Washington
City of Wood River
Village of Yorkville

County of Boone
County of Champaign
County of Coles
County of Cook
County of DeKalb
County of Kankakee
County of Kendall
County of Lake
County of Macon
County of Madison
County of McLean
County of Ogle
County of Peoria
County of Rock Island
County of Tazewell
County of Winnebago

Assist Originations in Washington, Illinois



CITY OF WASHINGTON, TAZEWELL COUNTY, ILLINOIS
Illinois Assist Down Payment Assistance Program Loan Originations

	CITY	STATE	ZIP	LOAN AMOUNT
1 .	Washington	IL	61571	$87,878.00
2 .	Washington	IL	61571	$64,804.00
3 .	Washington	IL	61571	$103,098.00
4 .	Washington	IL	61571	$108,007.00
5 .	Washington	IL	61571	$137,286.00
6 .	Washington	IL	61571	$107,516.00
7 .	Washington	IL	61571	$109,971.00
8 .	Washington	IL	61571	$135,009.00
9 .	Washington	IL	61571	$85,424.00
10 .	Washington	IL	61571	$83,125.00
11 .	Washington	IL	61571	$134,425.00
12 .	Washington	IL	61571	$92,625.00
13 .	Washington	IL	61571	$78,059.00
14 .	Washington	IL	61571	$123,471.00
15 .	Washington	IL	61571	$87,300.00
16 .	Washington	IL	61571	$111,836.00
17 .	Washington	IL	61571	$128,381.00
18 .	Washington	IL	61571	$129,609.00
19 .	Washington	IL	61571	$127,546.00
20 .	Washington	IL	61571	$104,760.00
21 .	Washington	IL	61571	$84,200.00
22 .	Washington	IL	61571	$80,514.00
23 .	Washington	IL	61571	$98,187.00
			Total:	**$2,403,031.00**
			Average:	**$104,479.61**