

Distribution  
County Board  
County Administrator  
Facility Manager  
Central Services  
Accounts Payable

STATE OF ILLINOIS     )  
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COUNTY OF LAKE     )

COUNTY BOARD, LAKE COUNTY, ILLINOIS

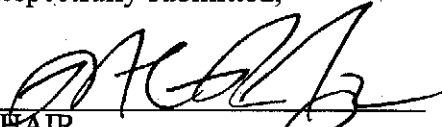
ADJOURNED REGULAR SEPTEMBER, A.D., 2003 SESSION

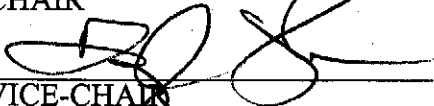
MAY 11, A.D., 2004

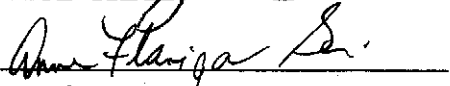
MADAM CHAIRMAN AND MEMBERS OF THE COUNTY BOARD:

Your Financial and Administrative Committee presents herewith a Resolution authorizing the Chairman of the Board to enter into a Seventh Supplement to Lease Agreement, between the County of Lake and the Lake County Public Building Commission, in accordance with the terms and conditions of the agreement and requests its adoption.

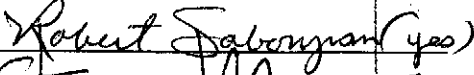
Respectfully submitted,

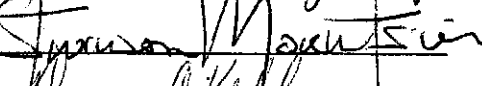
  
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CHAIR


  
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VICE-CHAIR

  
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FINANCIAL and ADMINISTRATIVE  
COMMITTEE

## RESOLUTION

**WHEREAS** the Lake County Public Building Commission ("Commission") and the County of Lake ("County") have heretofore executed and delivered that certain Lease, dated as of September 15, 1987 (the "Original Lease"), under which the Commission leased to the County certain sites, buildings and facilities, which includes the County Jail; and

**WHEREAS** pursuant to the First Supplement to Lease Agreement dated as of December 1, 1991 (the "First Lease Supplement") the Commission and the County amended the Original Lease to grant, sell and assign a portion thereof and certain of the payments thereunder to Bank of Waukegan, Waukegan, Illinois, as indenture trustee (the "Indenture Trustee"), for the benefit of the registered owners of Certificates of Participation in General Obligation Lease Payments to be made by The County of Lake, Illinois; issued under an Indenture of Trust and Assignment of an Interest in the Lease (the "Certificate Indenture") dated as December 1, 1991, by and between the Indenture Trustee and the Commission; and

**WHEREAS** the Indenture Trustee issued the Certificates to be payable from revenues to be received by the commission from certain debt service rentals to be paid by the County to the Commission in accordance with the terms of the Original Lease as amended by the First Lease Supplement and such debt service rental payments were assigned to the Indenture Trustee, pursuant to the Certificate Indenture; and

**WHEREAS** pursuant to a Second Supplement to Lease Agreement dated as of April 15, 1994 (the "Second Lease Supplement"), the Commission and the County further amended the Original Lease to provide for the payment of debt service on the Commission's Limited Tax Revenue Bonds, Series 1994 (the "Series 1994 Bonds"), pursuant to a Commission resolution, adopted April 22, 1994 (the "Series 1994 Bond Resolution"); and

**WHEREAS** pursuant to a Third Supplement to Lease Agreement dated as of April 15, 1998, in order to pay the cost of providing for the payment and redemption of the Commission's outstanding Public Building Revenue Bonds, Series 1987 (the "Series 1987 Bonds") the Commission issued its Series 1998 Special Obligation Taxable Refunding Bonds (the "Series 1998 Bonds") and further said bonds were issued to provide certain funds to pay the cost of capital improvements of the County, and the Series 1998 Bonds were made payable from certain rentals to be received by the Commission in accordance with the terms of the Third Lease

Supplement, such rentals to be made payable out of an escrow directly to the bond registrar pursuant to a bond resolution adopted by the Commission on April 8, 1998, authoring the issuance of the Series 1998 Bonds; and

**WHEREAS** pursuant to a Fourth Supplement to Lease Agreement the parties included within the premises leased by Lessor to County the parking garage facility located within the courthouse square and provided an appropriate increase in rental for that facility and in consideration of adding the parking garage facility located within the courthouse square, the County agreed to pay to Lessor as additional rent, the following sums: on or before November 1, 2001 a lump sum payment of \$5,425,145 and on or before November 1 of each year remaining on the lease, the accumulated interest earned as of September 30 in the County's Public Building Commission rent levy account; and

**WHEREAS** pursuant to a Fifth Supplement to Lease Agreement the parties agreed to redesign the current work release portion of the jail located within the leased premises to allow for housing a general inmate population, that the County would pay the costs of the redesign estimated at being \$3,335,000, by paying a lump sum lease payment of that same amount and that the County would request and the Commission would grant a credit for that lease payment from its Surplus Revenue Account, as provided by the 1994 Bond Resolution of the Commission; and

**WHEREAS** one of the obligations of the Lessor to is provide an up-to-date jail facility to meet the needs of the County and the Sheriff of Lake County, and it has been determined that with the increasing inmate population at the jail it is advisable to increase the available jail space within the County's jail facilities; and

**WHEREAS** the County and the Commission have determined that the most cost effective way to address this need is to construct a new work release center within the leased premises; and

**WHEREAS** pursuant to a Sixth Supplement to Lease Agreement it was determined that the expanding population in Lake County has created a need for an expanded county jail; that the most cost effective way to address this need is to construct a new work release center within the leased premises; that the cost of said new work release center would be \$7,665,000; and that the County would request and the Commission would grant a credit for that lease payment from its Surplus Revenue; and

**WHEREAS** subsequent to the execution of the Sixth Lease supplement, the parties determined that the costs of the new work release center would exceed the previously allocated \$11,000,000. as provided in the Fifth and Sixth Lease supplements, by \$2,771,537;

**WHEREAS**, opinion of bond counsel has been sought with respect to the proposed Seventh Supplement to the Lease as to whether it complies with all of the Commission's bond resolutions and ordinances and its bond obligations, and bond counsel has indicated that the Seventh Supplement to the Lease does so comply; and

**WHEREAS**, attached hereto is the proposed Seventh Supplement to the Lease with the County;

**NOW, THEREFORE, BE IT RESOLVED**, by this County Board of Lake County, Illinois that the attached Seventh Supplement to the Lease between the Commission and the County be entered into by and between the Commission and the County of Lake, and the Chairman of the Lake County Board is hereby authorized to execute said Seventh Supplement to the Lease with the County on behalf of the County.

DATED, at WAUKEGAN, LAKE COUNTY, ILLINOIS, on this 11<sup>th</sup> day of May A.D., 2004.