



**DATE:** Monday, September 29, 2025  
**TIME:** 7:00 PM  
**PLACE:** 400 South Vine Street, Urbana, IL 61801

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## AGENDA

- A. Call to Order and Roll Call
- B. Approval of Minutes of Previous Meeting
  - 1. 08-25-2025 City Council Meeting Minutes
  - 2. 09-02-2025 Committee of the Whole Meeting Minutes
- C. Additions to the Agenda
- D. Presentation and Public Input
- E. Council Input and Communications
- F. Reports of Standing Committees
- G. Committee of the Whole (*Council Member Maryalice Wu, Ward 1*)
  - 1. Consent Agenda
    - a. **Ordinance No. 2025-09-027:** An Ordinance Amending Urbana City Code Chapter 5, Article XIII - Fire Prevention Code – UFD
    - b. **Resolution No. 2025-09-075R:** A Resolution Approving a Grant Agreement Between the State of Illinois, Illinois Law Enforcement Training and Standards Board, and City of Urbana – UPD
  - 2. Regular Agenda
    - a. **Ordinance No. 2025-09-025:** An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #2 – Omnibus) – HRF
    - b. **Ordinance No. 2025-09-026:** An Ordinance Providing for the Issuance of Not to Exceed \$5,200,000 General Obligation Bonds, Series 2025 – HRF
- H. Reports of Special Committees
- I. Reports of Officers

All City meetings are broadcast on Urbana Public Television and live-streamed on the web. Details on how to watch are found on the UPTV webpage located at <https://www.urbanail.gov/executive-department/page/urbana-public-television>.

**J. Mayoral Appointments**

**1. Bicycle and Pedestrian Advisory Commission**

– Kevin Murphy (term ending June 30, 2028)

– Sara Rand (term ending June 30, 2028)

**K. Discussion**

**1. Police Surveillance Technology (Ordinance No. 2024-12-042)**

**L. Adjournment**

## PUBLIC INPUT

The City of Urbana welcomes Public Input during open meetings of the City Council, the City Council's Committee of the Whole, City Boards and Commissions, and other City-sponsored meetings. Our goal is to foster respect for the meeting process, and respect for all people participating as members of the public body, city staff, and the general public. The City is required to conduct all business during public meetings. The presiding officer is responsible for conducting those meetings in an orderly and efficient manner. Public Input will be taken in the following ways:

### Email Input

Public comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted) at the following: [citycouncil@urbanail.gov](mailto:citycouncil@urbanail.gov). The subject line of the email must include the words "PUBLIC INPUT" and the meeting date. Your email will be sent to all City Council members, the Mayor, City Administrator, and City Clerk. Emailed public comments labeled as such will be incorporated into the public meeting record, with personal identifying information redacted. Copies of emails will be posted after the meeting minutes have been approved.

### Written Input

Any member of the public may submit their comments addressed to the members of the public body in writing. If a person wishes their written comments to be included in the record of Public Input for the meeting, the writing should so state. Written comments must be received prior to the closing of the meeting record (at the time of adjournment unless otherwise noted).

### Verbal Input

Protocol for Public Input is one of respect for the process of addressing the business of the City. Obscene or profane language, or other conduct that threatens to impede the orderly progress of the business conducted at the meeting is unacceptable.

Public comment shall be limited to no more than five (5) minutes per person. The Public Input portion of the meeting shall total no more than two (2) hours, unless otherwise shortened or extended by majority vote of the public body members present. The presiding officer or the city clerk or their designee, shall monitor each speaker's use of time and shall notify the speaker when the allotted time has expired. A person may participate and provide Public Input once during a meeting and may not cede time to another person, or split their time if Public Input is held at two (2) or more different times during a meeting. The presiding officer may give priority to those persons who indicate they wish to speak on an agenda item upon which a vote will be taken.

The presiding officer or public body members shall not enter into a dialogue with citizens. Questions from the public body members shall be for clarification purposes only. Public Input shall not be used as a time for problem solving or reacting to comments made but, rather, for hearing citizens for informational purposes only.

In order to maintain the efficient and orderly conduct and progress of the public meeting, the presiding officer of the meeting shall have the authority to raise a point of order and provide a verbal warning to a speaker who engages in the conduct or behavior proscribed under "Verbal Input". Any member of the public body participating in the meeting may also raise a point of order with the presiding officer and request that they provide a verbal warning to a speaker. If the speaker refuses to cease such conduct or

behavior after being warned by the presiding officer, the presiding officer shall have the authority to mute the speaker's microphone and/or video presence at the meeting. The presiding officer will inform the speaker that they may send the remainder of their remarks via e-mail to the public body for inclusion in the meeting record.

**Accommodation**

If an accommodation is needed to participate in a City meeting, please contact the City Clerk's Office at least 48 hours in advance so that special arrangements can be made using one of the following methods:

- Phone: 217.384.2366
- Email: [CityClerk@urbanil.gov](mailto:CityClerk@urbanil.gov)



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** September 15, 2025 - Committee Meeting  
**Subject:** Ordinance Amending City Code Chapter 5 – Article XIII – Fire Prevention Code

### Summary

Staff recommends that the City Council approve the Ordinance amending the Urbana City Code, Chapter 5, Article XIII – Fire Prevention Code, (Section 901.6.2). Approval would align this section of the City Code with the City's renewal of its agreement with Brycer for third-party fire safety inspection services and would broaden its application to include any third-party vendor performing such work on the City's behalf.

### Relationship to City Services and Priorities

Fire safety inspections are one of the primary pillars of fire prevention, including promoting the safety of firefighters in performing fire suppression duties.

Using third-party monitoring has greatly improved the external feedback loop, improving the flow of information, record keeping, and compliance, while generating an additional revenue source for the City of Urbana.

### Discussion

In September of 2022, City Council approved an Ordinance that allowed the Urbana Fire Department to contract with Brycer LLC, as a third-party inspection reporting system to submit inspection or service reports for compliance. The amendment was approved with a sunset clause and further council action is needed to modify or extend the Ordinance.

### Recommendation

1. Approve the attached Ordinance
2. Approve the Ordinance with changes

### Attachments

1. Ordinance No. 2025-09-027

Originated by: Demond Dade, Fire Chief, Fire Marshal

Reviewed: Steve Doggett, Deputy Fire Chief  
Tal Prendergast, Deputy Fire Chief

Approved: Darius White, City Administrator

**ORDINANCE NO. 2025-xx-xxxx****AN ORDINANCE AMENDING URBANA CITY CODE CHAPTER 5,  
ARTICLE XIII - FIRE PREVENTION CODE**

**WHEREAS**, the City of Urbana, Illinois (hereinafter, the "City") is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, 5 ILCS 220/1 et seq., and may exercise any power and perform any function pertaining to its government and affairs, including the power to regulate and promote public health, safety, and welfare; and

**WHEREAS**, the City of Urbana adopted Ordinance No. 2011-07-062, which enacted certain codes from the 2009 International Code Series, including Article XIII the Fire Prevention Code; and

**WHEREAS**, local governments are authorized to enact local amendments to such international codes, including the Fire Prevention Code; and

**WHEREAS**, certain inspections of buildings and structures within the City are a necessary and essential action to ensure compliance with the Fire Prevention Code and any applicable state laws for building and life safety purposes; and

**WHEREAS**, on September 26, 2022, the City Council adopted Ordinance No. 2022-09-038, amending Chapter 5, Article XIII of the Urbana City Code and adopting a third-party reporting system for the submission of inspection reports and incorporating the Urbana Fire Department's engagement of Brycer, LLC ("Brycer"), to perform third party inspections; and

**WHEREAS**, the amendments enacted by Ordinance No. 2022-09-038 sunset upon of the expiration of the City's agreement with Brycer, which terminates on September 30, 2025; and

**WHEREAS**, the Urbana Fire Department desires to continue using a third party inspection reporting system for the submission of inspection reports, which enables the Department to more efficiently and monitor compliance with the inspection requirements for buildings and structures; and

**WHEREAS**, continuing this third-party reporting system for the submission of inspection reports necessitates amending Article XIII of Chapter 5 of the City Code to require submission of reports through such system.

**NOW, THEREFORE, BE IT ORDAINED** by the City Council of the City of Urbana, Illinois, as follows:

**Section 1.** Urbana City Code Chapter 5, "Building, Fire and Flood Safety Codes", Article XIII, "Fire Prevention Code", Section 5-263, "Additions, Modifications and Deletions", is hereby amended as follows:

Section 901.6.2 "Records" shall be amended to read as follows:

**901.6.2 Records.** Records of all systems inspections, tests, and maintenance required by the referenced standards shall be maintained on the premises for a minimum of three (3) years and shall be provided to the Urbana Fire Department by any company

performing such inspection(s) through a third-party inspection reporting system pursuant to an agreement with the City.

Any fees for reporting through said system shall be the responsibility of the company performing the inspection and completing the report.

**Section 2.** The amendment enacted by this Ordinance shall be in full force and effect upon its adoption by the City Council and signature by the Mayor and shall continue in full force and effect

**Section 3.** Those sections, paragraphs, and provisions of the Urbana City Code that are not expressly amended or repealed by this Ordinance are hereby re-enacted, and it is expressly declared to be the intention

of this Ordinance not to repeal or amend any portions of the Urbana City Code other than those expressly set forth as amended or repealed in this Ordinance. The invalidity of any section or provision of this Ordinance hereby passed and approved shall not invalidate other sections or provisions thereof.

**Section 4.** The City Clerk is directed to publish this Ordinance in pamphlet form by the authority of the corporate authorities.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called, of a majority of the members of the Council of the City of Urbana, Illinois, at a meeting of said Council.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2025.

AYES:

NAYS:

ABSTENTIONS:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

APPROVED BY THE MAYOR this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_  
DeShawn B. Williams, Mayor

**Section 1.** Urbana City Code Chapter 5, "Building, Fire and Flood Safety Codes", Article XIII, "Fire Prevention Code", Section 5-263, "Additions, Modifications and Deletions", is hereby amended as follows:

Section 901.6.2 "Records" shall be amended to read as follows:

**901.6.2 Records.** Records of all systems inspections, tests, and maintenance required by the referenced standards shall be maintained on the premises for a minimum of three (3) years and shall be provided to the Urbana Fire Department by ~~the~~ any company performing ~~the such~~ inspection(s), through a third-party inspection reporting system ~~operated by Bryceer LLC, pursuant to an agreement with the City.~~ Any fees for reporting through said system shall be the responsibility of the company performing the inspection and completing the report.

**Section 2.** The amendment enacted by this Ordinance, ~~upon its adoption by the City Council and signature by the Mayor, shall be in full force and effect for a 3-year period beginning October 1, 2022, and ending on September 30, 2025, unless otherwise modified or extended by action of the City Council upon its adoption by the City Council and signature by the Mayor.~~



City of Urbana  
400 S. Vine Street, Urbana, IL 61801  
www.urbanail.gov

MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** September 15, 2025, Committee of the Whole  
**Subject:** Resolution Approving a Grant Agreement Between The State of Illinois, Illinois Law Enforcement Training and Standards Board and City of Urbana

Commented [EH1]: The COW meeting is on the 15<sup>th</sup>. This will be approved on the 22<sup>nd</sup>.

Summary

Action Requested

City Council is being asked to approve a Grant Agreement Between the State of Illinois, Illinois Law Enforcement Training and Standards Board and City of Urbana.

Brief Background

The Illinois Law Enforcement Training and Standards Board offered a one-time reimbursement grant for the purchase of officer-worn cameras, body camera storage, in-car cameras, and related training. The Urbana Police Department applied for the FY25 Camera Grant. in early 2025 and was notified on August 28, 2025, of an award in the amount of \$165,818.40.

Relationship to City Services and Priorities

Impact on Core Services

The entirety of the funds, totaling \$165,818.40, will be used to reimburse the City for expenses already incurred in FY24 related to the above-mentioned camera systems and training. This reimbursement allows the City to reinvest local resources into other essential services while ensuring that the Police Department continues to operate with the tools and training necessary to provide effective, transparent, and accountable law enforcement.

Strategic Goals & Plans

N/A

Previous Council Actions

N/A

Discussion

Fiscal and Budget Impact

[This grant offsets expenditures the City already incurring, but for which there was insufficient funding in the original FY24 budget.]

Commented [EH2]: I'm confused by this. I mean we did pay for this in FY24, so how can we say there was insufficient funding?

*Recommendation*

Staff recommends that City Council approve the Resolution Approving a Grant Agreement Between the State of Illinois, Illinois Law Enforcement Training and Standards Board and City of Urbana

*Next Steps*

Upon approval, the grant agreement will be signed, the awarded amount of \$165,818.40 will be deposited into the General Operating Fund by the Finance Department.

**Attachments**

1. Resolution Approving a Grant Agreement Between the State of Illinois, Illinois Law Enforcement Training and Standards Board and City of Urbana
2. Grant Agreement Between the State of Illinois, Illinois Law Enforcement Training and Standards Board and City of Urbana

Originated by: Lisa Curtiss, Executive Assistant

Reviewed: Larry D. Boone, Chief of Police  
Elizabeth Hannan, HR/F Director

Approved: Darius B. White, City Administrator

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION APPROVING A GRANT AGREEMENT BETWEEN THE STATE OF ILLINOIS, ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD, AND CITY OF URBANA**

**WHEREAS**, the City of Urbana (the “City”) is an Illinois home rule unit of local government pursuant to Section 6 of Article VII of the Illinois Constitution of 1970 and the statutes of the State of Illinois; and

**WHEREAS**, Section 10 of Article VII of the Illinois Constitution of 1970 and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.* enable the parties to enter into and execute agreements among themselves and provide authority for intergovernmental cooperation; and

**WHEREAS**, the City recognizes that it is appropriate and beneficial for the City and its departments to apply for and receive grants from private, state, and federal agencies; and

**WHEREAS**, the State of Illinois, Illinois Law Enforcement Training and Standards Board has created and facilitates the FY25 Camera Grant, for local units of government that maintain and operate law enforcement departments; and

**WHEREAS**, the City of Urbana has been awarded a FY25 Camera Grant, in the amount of \$165,818.40 and

**WHEREAS**, the City Council finds it desirable and in the best interests of the City to accept this allocation of funds.

**NOW, THEREFORE, BE IT RESOLVED** by the City Council of the City of Urbana, Illinois, as follows:

**Section 1.**

The Grant Agreement between the State of Illinois, State of Illinois, Illinois Law Enforcement Training and Standards Board and the City of Urbana, in substantially the form of the Exhibit appended hereto and made a part hereof, shall be and hereby is authorized and approved.

**Section 2.**

The Mayor of the City of Urbana, Illinois, shall be and hereby is authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, shall be and hereby is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2025.

AYES:

NAYS:

ABSTENTIONS:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
DeShawn B. Williams, Mayor



**GRANT AGREEMENT  
BETWEEN  
THE STATE OF ILLINOIS, Illinois Law Enforcement Training and Standards Board  
AND  
City of Urbana**

The parties to this Grant Agreement (Agreement) are the State of Illinois (State), acting through the undersigned agency (Grantor) and City of Urbana (Grantee) (collectively, the "Parties" and individually, a "Party"). The Agreement, consisting of the signature page, the parts listed below, and any additional exhibits or attachments referenced in this Agreement, constitute the entire agreement between the Parties. No promises, terms, or conditions not recited, incorporated or referenced herein, including prior agreements or oral discussions, are binding upon either Grantee or Grantor.

**PART ONE – The Uniform Terms**

<b>Article I</b>	<b>Definitions</b>
<b>Article II</b>	<b>Award Information</b>
<b>Article III</b>	<b>Grantee Certifications and Representations</b>
<b>Article IV</b>	<b>Payment Requirements</b>
<b>Article V</b>	<b>Scope of Award Activities/Purpose of Award</b>
<b>Article VI</b>	<b>Budget</b>
<b>Article VII</b>	<b>Allowable Costs</b>
<b>Article VIII</b>	<b>Lobbying</b>
<b>Article IX</b>	<b>Maintenance and Accessibility of Records; Monitoring</b>
<b>Article X</b>	<b>Financial Reporting Requirements</b>
<b>Article XI</b>	<b>Performance Reporting Requirements</b>
<b>Article XII</b>	<b>Audit Requirements</b>
<b>Article XIII</b>	<b>Termination; Suspension; Non-compliance</b>
<b>Article XIV</b>	<b>Subcontracts/Subawards</b>
<b>Article XV</b>	<b>Notice of Change</b>
<b>Article XVI</b>	<b>Structural Reorganization and Reconstitution of Board Membership</b>
<b>Article XVII</b>	<b>Conflict of Interest</b>
<b>Article XVIII</b>	<b>Equipment or Property</b>
<b>Article XIX</b>	<b>Promotional Materials; Prior Notification</b>
<b>Article XX</b>	<b>Insurance</b>
<b>Article XXI</b>	<b>Lawsuits and Indemnification</b>
<b>Article XXII</b>	<b>Miscellaneous</b>
<b>Exhibit A</b>	<b>Project Description</b>
<b>Exhibit B</b>	<b>Deliverables or Milestones</b>
<b>Exhibit C</b>	<b>Contact Information</b>
<b>Exhibit D</b>	<b>Performance Measures and Standards</b>
<b>Exhibit E</b>	<b>Specific Conditions</b>

**PART TWO – Grantor-Specific Terms**

**PART THREE – Project-Specific Terms**

The Parties or their duly authorized representatives hereby execute this Agreement.

[Illinois Law Enforcement Training and Standards Board]

[City of Urbana]

By: \_\_\_\_\_  
Signature of Keith Calloway, Executive Director  
By: \_\_\_\_\_  
Signature of Designee  
Date: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Printed Title: \_\_\_\_\_

Designee

By: \_\_\_\_\_  
Signature of Authorized Representative  
Date: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Printed Title: \_\_\_\_\_  
E-mail: \_\_\_\_\_

By: \_\_\_\_\_  
Signature of Second Grantor Approver, if applicable  
Date: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Printed Title: \_\_\_\_\_

Second Grantor Approver

By: \_\_\_\_\_  
Signature of Second Grantee Approver, if applicable  
Date: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Printed Title: \_\_\_\_\_

Second Grantee Approver  
(optional at Grantee's discretion)

By: \_\_\_\_\_  
Signature of Third Grantor Approver, if applicable  
Date: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Printed Title: \_\_\_\_\_

Third Grantor Approver

**PART ONE – THE UNIFORM TERMS****ARTICLE I  
DEFINITIONS**

1.1. Definitions. Capitalized words and phrases used in this Agreement have the meanings stated in 2 CFR 200.1 unless otherwise stated below.

“Allowable Costs” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Award” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Budget” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Catalog of State Financial Assistance” or “CSFA” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Close-out Report” means a report from the Grantee allowing Grantor to determine whether all applicable administrative actions and required work have been completed, and therefore closeout actions can commence.

“Conflict of Interest” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Cooperative Research and Development Agreement” has the same meaning as in 15 USC 3710a.

“Direct Costs” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Financial Assistance” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“GATU” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Grant Agreement” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Grantee Compliance Enforcement System” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Grant Funds” means the Financial Assistance made available to Grantee through this Agreement.

“Grantee Portal” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Indirect Costs” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Indirect Cost Rate” means a device for determining in a reasonable manner the proportion of Indirect Costs each Program should bear. It is a ratio (expressed as a percentage) of the Indirect Costs to a Direct Cost base. If reimbursement of Indirect Costs is allowable under an Award, Grantor will not reimburse those Indirect Costs unless Grantee has established an Indirect Cost Rate covering the applicable activities and period of time, unless Indirect Costs are reimbursed at a fixed rate.

“Indirect Cost Rate Proposal” has the same meaning as in 44 Ill. Admin. Code 7000.30.

“Obligations” has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Period of Performance" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Prior Approval" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Profit" means an entity's total revenue less its operating expenses, interest paid, depreciation, and taxes. "Profit" is synonymous with the term "net revenue."

"Program" means the services to be provided pursuant to this Agreement. "Program" is used interchangeably with "Project."

"Program Costs" means all Allowable Costs incurred by Grantee and the value of the contributions made by third parties in accomplishing the objectives of the Award during the Term of this Agreement.

"Related Parties" has the meaning set forth in Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 850-10-20.

"SAM" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"State-issued Award" means the assistance that a grantee receives directly from a State agency. The funding source of the State-issued Award can be federal pass-through, State or a combination thereof. "State-issued Award" does not include the following:

- contracts issued pursuant to the Illinois Procurement Code that a State agency uses to buy goods or services from a contractor or a contract to operate State government-owned, contractor-operated facilities;
- agreements that meet the definition of "contract" under 2 CFR 200.1 and 2 CFR 200.331, which a State agency uses to procure goods or services but are exempt from the Illinois Procurement Code due to an exemption listed under 30 ILCS 500/1-10, or pursuant to a disaster proclamation, executive order, or any other exemption permitted by law;
- amounts received for services rendered to an individual;
- Cooperative Research and Development Agreements;
- an agreement that provides only direct cash assistance to an individual;
- a subsidy;
- a loan;
- a loan guarantee; or
- insurance.

"Illinois Stop Payment List" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Unallowable Cost" has the same meaning as in 44 Ill. Admin. Code 7000.30.

"Unique Entity Identifier" or "UEI" has the same meaning as in 44 Ill. Admin. Code 7000.30.

**ARTICLE II  
AWARD INFORMATION**

2.1. Term. This Agreement is effective on 07/01/2025 and expires on 06/30/2030 (the Term), unless terminated pursuant to this Agreement.

2.2. Amount of Agreement. Grant Funds Grant Funds (Must Not Exceed or Are Estimated To Be) \$165,818.40, of which \$0.00 are federal funds. Grantee accepts Grantor's payment as specified in this ARTICLE.

2.3. Payment. Payment will be made as follows (see additional payment requirements in ARTICLE IV; additional payment provisions specific to this Award may be included in **PART TWO** or **PART THREE**): Procedure for Advance Payment:

2.4.

2.5. A. The Grantee may be paid in advance, provided it maintains or demonstrates the willingness to maintain written procedures that minimize the time elapsing between the transfer of funds and disbursement; and the use of a financial management system that includes the following:

2.6. 1) Identification of all grant awards received, related funds expended, and the programs under which they were received, including the title and number, award identification number, year issued, and name of the awarding agency.

2.7. 2) Accurate, current, and complete disclosure of the financial results of each grant award or program in reports submitted at the appropriate deadlines, in a format that allows for ILETSB monitoring. The Grantee may develop accrual data for its reports based on an analysis of the documentation on hand.

2.8. 3) Maintaining records that sufficiently identify the amount, source, and expenditure of grant funds for awards. These records must contain information necessary to identify awards, authorizations, financial obligations, unobligated balances, as well as assets, expenditures, income, and interest. All records must be supported by source documentation.

2.9. 4) Effective control over and accountability for all funds, property, and assets. The Grantee must safeguard all assets and ensure they are used solely for authorized purposes.

2.10. 5) Comparison of expenditures with the approved budget amounts for each award.

2.11. 6) Written procedures to implement the requirements of 44 Ill. Adm. Code 7000.120.

2.12. 7) Maintenance of records documenting compliance with statutes, regulations, and the terms and conditions of the award, must be sufficient to prepare reports required by the terms and conditions; and tracking expenditures to establish that funds have been used in accordance with statutes, regulations, and the terms and conditions of the award, including any funds used for lobbying or otherwise influencing the creation, passage, or opposition of legislation.

2.13. B. ILETSB requires the completion of additional applications for any Grantee seeking to receive Advance funding to assert that the above conditions are met. Receipt of grant award is not itself approval for the use of advance funding. The determination of this request will be made by the ILETSB Grant Manager. The application will require the following:

2.14. 1) Confirmation that Grantee is making a formal request for Advance payment,

2.15. 2) A list of required documentation for review, and confirmation that is included with the application,

2.16. 3) Information, budgets and/or approved pre-award documentation,

2.17. 4) Acknowledgment that all Risk Assessment documentation will be completed: ICQ in the GATA Implementation Site and the PRA,

2.18. 5) Guidelines regarding the Grantee's eligibility for Advance payment,

2.19. 6) Information regarding the option to receive reimbursement with a working capital advance if Advance payment criteria are not met. 44 Ill. Admin. Code 7000.120(b)(3).

2.20. C. Advance payments to a Grantee must be limited to the minimum amounts needed and be timed with actual, immediate cash requirements of the Grantee in carrying out the purpose of the approved

program or project.

2.21. D. The timing and amount of advance payments must be as close as is administratively feasible to the actual disbursements by the Grantee for direct program or project costs. The Grantee must make timely payments to contractors, suppliers, or providers in accordance with the contract provisions.

2.22. E. Whenever possible, advance payment requests by the Grantee must be consolidated to cover anticipated cash needs for all awards received by the recipient from ILETSB.

2.23. F. Advance payment mechanisms must comply with the preference to distribute funds electronically, which includes, but are not limited to, Treasury checks and electronic funds transfers.

2.24. G. Grantees must be authorized to submit payment requests as often as necessary when electronic fund transfers are used or at least monthly when electronic transfers are not used.

2.25. H. ILETSB shall publish written procedures for determining the allowability of costs and advance funding options in accordance with the Administrative Rules of the grant Accountability and Transparency Act and the terms and conditions of the grant award. ILETSB must document the determination that the Grantee meets the requirements of advance payments in accordance with 44 Ill. Adm. Code 7000.120(b)(1).

2.26. Procedure for Reimbursements:

2.27. A. Grantees will be paid via the reimbursement method when they do not meet the requirements of 44 Ill. Admin. Code 7000.120(b)(1), or upon a Grantee's request to use the reimbursement method of payment, or as stipulated in a specific condition. Grantees that have relevant specific conditions noted in their Uniform Grant Agreement based on the results of their Programmatic Risk Assessment (PRA) shall be paid via reimbursement method. Grantees who do not meet the requirements of 44 Ill. Admin. Code 7000.120(b)(1) may also request use of the Working Capital Advance payment method, detailed herein in a subsequent section.

2.28.

2.29. B. ILETSB will disburse payments to the Grantee based on actual allowable costs incurred or expended as reported in their PFR submitted for the respective period, as described in their grant agreement.

2.30.

2.31. Procedure for Working Capital Advance:

2.32.

2.33. A. For Grantees that the Grant Program Manager or their designee determines that reimbursement is not feasible because the Grantee lacks sufficient working capital, the ILETSB may, in its sole discretion, provide a Working Capital Advance to the Grantee. Working Capital Advance payments may be requested by completing the Working Capital Advance Questionnaire or by other means as prescribed by ILETSB.

2.34.

2.35. B. Grantees may request a Working Capital Advance payment for each grant program awarded by ILETSB. Requests must be submitted on the ILETSB Estimate Working Capital Advance Payment Requirements Forecast (Cash Budget) Form Template to the respective Grant Program Manager or their designee in the method prescribed in the grant program Notice of Funding Opportunity (NOFO), grant agreement, or as prescribed by ILETSB. The Cash Budget must include monthly cash requirements for every month of the grant term. Grantees must submit an updated cash budget at the request of the ILETSB Grant Program Manager, their designee, or a representative of the Office of Fiscal Management. A separate request must be submitted for each ILETSB grant program application. Requests must be signed by either the Chief Executive Officer or Chief Financial Officer (or equivalent) for the entity.

2.36.

2.37. C. The ILETSB Grant Program Manager or their designee will advance the working capital payment to the Grantee to cover their estimated disbursement needs for an initial period of grant expenses. Additional startup costs may be approved as part of the working capital payment if determined by the ILETSB Grant Program Managers or their designees to be allowable.

2.38. Award Identification Numbers. If applicable, the Federal Award Identification Number (FAIN) is ,

the federal awarding agency is , and the Federal Award date is . If applicable, the Assistance Listing Program Title is and Assistance Listing Number is . The Catalog of State Financial Assistance (CSFA) Number is 569-00-3496 and the CSFA Name is FY 25 ILETSB - Law Enforcement Camera Grant. If applicable, the State Award Identification Number (SAIN) is 20260028.

### ARTICLE III GRANTEE CERTIFICATIONS AND REPRESENTATIONS

3.1. **Registration Certification.** Grantee certifies that: (i) it is registered with SAM and S9V6SD6918H7 is Grantee's correct UEI; (ii) it is in good standing with the Illinois Secretary of State, if applicable; and (iii) Grantee has successfully completed the annual registration and prequalification through the Grantee Portal.

Grantee must remain current with these registrations and requirements. If Grantee's status with regard to any of these requirements changes, or the certifications made in and information provided in the uniform grant application changes, Grantee must notify Grantor in accordance with ARTICLE XV.

3.2. **Tax Identification Certification.** Grantee certifies that: 376000524 is Grantee's correct federal employer identification number (FEIN) or Social Security Number. Grantee further certifies, if applicable: (a) that Grantee is not subject to backup withholding because (i) Grantee is exempt from backup withholding, or (ii) Grantee has not been notified by the Internal Revenue Service (IRS) that Grantee is subject to backup withholding as a result of a failure to report all interest or dividends, or (iii) the IRS has notified Grantee that Grantee is no longer subject to backup withholding; and (b) Grantee is a U.S. citizen or other U.S. person. Grantee is doing business as a Governmental Unit.

If Grantee has not received a payment from the State of Illinois in the last two years, Grantee must submit a W-9 tax form with this Agreement.

3.3. **Compliance with Uniform Grant Rules.** Grantee certifies that it must adhere to the applicable Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards, which are published in Title 2, Part 200 of the Code of Federal Regulations (2 CFR Part 200) and are incorporated herein by reference. 44 Ill. Admin. Code 7000.40(c)(1)(A). The requirements of 2 CFR Part 200 apply to the Grant Funds awarded through this Agreement, regardless of whether the original source of the funds is State or federal, unless an exception is noted in federal or State statutes or regulations. 30 ILCS 708/5(b).

3.4. **Representations and Use of Funds.** Grantee certifies under oath that (1) all representations made in this Agreement are true and correct and (2) all Grant Funds awarded pursuant to this Agreement must be used only for the purpose(s) described herein. Grantee acknowledges that the Award is made solely upon this certification and that any false statements, misrepresentations, or material omissions will be the basis for immediate termination of this Agreement and repayment of all Grant Funds.

3.5. **Specific Certifications.** Grantee is responsible for compliance with the enumerated certifications in this Paragraph to the extent that the certifications apply to Grantee.

(a) **Bribery.** Grantee certifies that it has not been convicted of bribery or attempting to bribe an officer or employee of the State of Illinois, nor made an admission of guilt of such conduct which is a matter of record.

(b) **Bid Rigging.** Grantee certifies that it has not been barred from contracting with a unit of State or local government as a result of a violation of Paragraph 33E-3 or 33E-4 of the Criminal Code of

2012 (720 ILCS 5/33E-3 or 720 ILCS 5/33E-4, respectively).

(c) **Debt to State.** Grantee certifies that neither it, nor its affiliate(s), is/are barred from receiving an Award because Grantee, or its affiliate(s), is/are delinquent in the payment of any debt to the State, unless Grantee, or its affiliate(s), has/have entered into a deferred payment plan to pay off the debt.

(d) **International Boycott.** Grantee certifies that neither it nor any substantially owned affiliated company is participating or will participate in an international boycott in violation of the provision of the Anti-Boycott Act of 2018, Part II of the Export Control Reform Act of 2018 (50 USC 4841 through 4843), and the anti-boycott provisions set forth in Part 760 of the federal Export Administration Regulations (15 CFR Parts 730 through 774).

(e) **Discriminatory Club Dues or Fees.** Grantee certifies that it is not prohibited from receiving an Award because it pays dues or fees on behalf of its employees or agents, or subsidizes or otherwise reimburses employees or agents for payment of their dues or fees to any club which unlawfully discriminates (775 ILCS 25/2).

(f) **Pro-Children Act.** Grantee certifies that it is in compliance with the Pro-Children Act of 2001 in that it prohibits smoking in any portion of its facility used for the provision of health, day care, early childhood development services, education or library services to children under the age of eighteen (18) (except such portions of the facilities which are used for inpatient substance abuse treatment) (20 USC 7181-7184).

(g) **Drug-Free Workplace.** If Grantee is not an individual, Grantee certifies it will provide a drug free workplace pursuant to the Drug Free Workplace Act. 30 ILCS 580/3. If Grantee is an individual and this Agreement is valued at more than \$5,000, Grantee certifies it will not engage in the unlawful manufacture, distribution, dispensation, possession, or use of a controlled substance during the performance of the Agreement. 30 ILCS 580/4. Grantee further certifies that if it is a recipient of federal pass-through funds, it is in compliance with the government-wide requirements for a drug-free workplace as set forth in 41 USC 8103.

(h) **Motor Voter Law.** Grantee certifies that it is in full compliance with the terms and provisions of the National Voter Registration Act of 1993 (52 USC 20501 *et seq.*).

(i) **Clean Air Act and Clean Water Act.** Grantee certifies that it is in compliance with all applicable standards, orders or regulations issued pursuant to the Clean Air Act (42 USC 7401 *et seq.*) and the Federal Water Pollution Control Act, as amended (33 USC 1251 *et seq.*).

(j) **Debarment.** Grantee certifies that it is not debarred, suspended, proposed for debarment or permanent inclusion on the Illinois Stop Payment List, declared ineligible, or voluntarily excluded from participation in this Agreement by any federal department or agency (2 CFR 200.205(a)), or by the State (30 ILCS 708/25(6)(G)).

(k) **Non-procurement Debarment and Suspension.** Grantee certifies that it is in compliance with Subpart C of 2 CFR Part 180 as supplemented by 2 CFR Part 376, Subpart C.

(l) **Health Insurance Portability and Accountability Act.** Grantee certifies that it is in compliance with the Health Insurance Portability and Accountability Act of 1996 (HIPAA) (Public Law No. 104-191, 45 CFR Parts 160, 162 and 164, and the Social Security Act, 42 USC 1320d-2 through 1320d-7), in that it may not use or disclose protected health information other than as permitted or required by law

and agrees to use appropriate safeguards to prevent use or disclosure of the protected health information. Grantee must maintain, for a minimum of six (6) years, all protected health information.

(m) **Criminal Convictions.** Grantee certifies that:

(i) Neither it nor a managerial agent of Grantee (for non-governmental grantees only, this includes any officer, director or partner of Grantee) has been convicted of a felony under the Sarbanes-Oxley Act of 2002, nor a Class 3 or Class 2 felony under Illinois Securities Law of 1953, or that at least five (5) years have passed since the date of the conviction; and

(ii) It must disclose to Grantor all violations of criminal law involving fraud, bribery or gratuity violations potentially affecting this Award. Failure to disclose may result in remedial actions as stated in the Grant Accountability and Transparency Act. 30 ILCS 708/40. Additionally, if Grantee receives over \$10 million in total federal Financial Assistance, during the period of this Award, Grantee must maintain the currency of information reported to SAM regarding civil, criminal or administrative proceedings as required by 2 CFR 200.113 and Appendix XII of 2 CFR Part 200, and 30 ILCS 708/40.

(n) **Federal Funding Accountability and Transparency Act of 2006 (FFATA).** Grantee certifies that it is in compliance with the terms and requirements of 31 USC 6101 with respect to Federal Awards greater than or equal to \$30,000. A FFATA subaward report must be filed by the end of the month following the month in which the award was made.

(o) **Illinois Works Review Panel.** For Awards made for public works projects, as defined in the Illinois Works Jobs Program Act, Grantee certifies that it and any contractor(s) or subcontractor(s) that performs work using funds from this Award, must, upon reasonable notice, appear before and respond to requests for information from the Illinois Works Review Panel. 30 ILCS 559/20-25(d).

(p) **Anti-Discrimination.** Grantee certifies that its employees and subcontractors under subcontract made pursuant to this Agreement, must comply with all applicable provisions of State and federal laws and regulations pertaining to nondiscrimination, sexual harassment and equal employment opportunity including, but not limited to: Illinois Human Rights Act (775 ILCS 5/1-101 *et seq.*), including, without limitation, 44 Ill. Admin. Code 750- Appendix A, which is incorporated herein; Public Works Employment Discrimination Act (775 ILCS 10/1 *et seq.*); Civil Rights Act of 1964 (as amended) (42 USC 2000a - 2000h-6); Section 504 of the Rehabilitation Act of 1973 (29 USC 794); Americans with Disabilities Act of 1990 (as amended) (42 USC 12101 *et seq.*); and the Age Discrimination Act of 1975 (42 USC 6101 *et seq.*).

(q) **Internal Revenue Code and Illinois Income Tax Act.** Grantee certifies that it complies with all provisions of the federal Internal Revenue Code (26 USC 1), the Illinois Income Tax Act (35 ILCS 5), and all regulations and rules promulgated thereunder, including withholding provisions and timely deposits of employee taxes and unemployment insurance taxes.

#### ARTICLE IV PAYMENT REQUIREMENTS

4.1. Availability of Appropriation; Sufficiency of Funds. This Agreement is contingent upon and subject to the availability of sufficient funds. Grantor may terminate or suspend this Agreement, in whole or in part, without penalty or further payment being required, if (i) sufficient funds for this Agreement have not been

appropriated or otherwise made available to Grantor by the State or the federal funding source, (ii) the Governor or Grantor reserves funds, or (iii) the Governor or Grantor determines that funds will not or may not be available for payment. Grantor must provide notice, in writing, to Grantee of any such funding failure and its election to terminate or suspend this Agreement as soon as practicable. Any suspension or termination pursuant to this Paragraph will be effective upon the date of the written notice unless otherwise indicated.

4.2. Pre-Award Costs. Pre-award costs are not permitted unless specifically authorized by Grantor in **Exhibit A, PART TWO** or **PART THREE** of this Agreement. If they are authorized, pre-award costs must be charged to the initial Budget Period of the Award, unless otherwise specified by Grantor. 2 CFR 200.458.

4.3. Return of Grant Funds. Grantee must liquidate all Obligations incurred under the Award within forty-five (45) days of the end of the Period of Performance, or in the case of capital improvement Awards, within forty-five (45) days of the end of the time period the Grant Funds are available for expenditure or obligation, unless Grantor permits a longer period in **PART TWO** OR **PART THREE**. Grantee must return to Grantor within forty-five (45) days of the end of the applicable time period as set forth in this Paragraph all remaining Grant Funds that are not expended or legally obligated.

4.4. Cash Management Improvement Act of 1990. Unless notified otherwise in **PART TWO** or **PART THREE**, Grantee must manage federal funds received under this Agreement in accordance with the Cash Management Improvement Act of 1990 (31 USC 6501 *et seq.*) and any other applicable federal laws or regulations. 2 CFR 200.305; 44 Ill. Admin. Code 7000.120.

4.5. Payments to Third Parties. Grantor will have no liability to Grantee when Grantor acts in good faith to redirect all or a portion of any Grantee payment to a third party. Grantor will be deemed to have acted in good faith when it is in possession of information that indicates Grantee authorized Grantor to intercept or redirect payments to a third party or when so ordered by a court of competent jurisdiction.

4.6. Modifications to Estimated Amount. If the Agreement amount is established on an estimated basis, then it may be increased by mutual agreement at any time during the Term. Grantor may decrease the estimated amount of this Agreement at any time during the Term if (i) Grantor believes Grantee will not use the funds during the Term, (ii) Grantor believes Grantee has used Grant Funds in a manner that was not authorized by this Agreement, (iii) sufficient funds for this Agreement have not been appropriated or otherwise made available to Grantor by the State or the federal funding source, (iv) the Governor or Grantor reserves funds, or (v) the Governor or Grantor determines that funds will or may not be available for payment. Grantee will be notified, in writing, of any adjustment of the estimated amount of this Agreement. In the event of such reduction, services provided by Grantee under **Exhibit A** may be reduced accordingly. Grantor must pay Grantee for work satisfactorily performed prior to the date of the notice regarding adjustment. 2 CFR 200.308.

4.7. Interest.

(a) All interest earned on Grant Funds held by a Grantee will be treated in accordance with 2 CFR 200.305(b)(9), unless otherwise provided in **PART TWO** or **PART THREE**. Grantee must remit annually any amount due in accordance with 2 CFR 200.305(b)(9) or to Grantor, as applicable.

(b) Grant Funds must be placed in an insured account, whenever possible, that bears interest, unless exempted under 2 CFR 200.305(b)(8).

4.8. Timely Billing Required. Grantee must submit any payment request to Grantor within fifteen (15) days of the end of the quarter, unless another billing schedule is specified in **ARTICLE II, PART TWO**, or **PART THREE**. Failure to submit such payment request timely will render the amounts billed Unallowable Costs which

Grantor cannot reimburse. In the event that Grantee is unable, for good cause, to submit its payment request timely, Grantee shall timely notify Grantor and may request an extension of time to submit the payment request. Grantor's approval of Grantee's request for an extension shall not be unreasonably withheld.

4.9. Certification. Pursuant to 2 CFR 200.415, each invoice and report submitted by Grantee (or subrecipient) must contain the following certification by an official authorized to legally bind Grantee (or subrecipient):

By signing this report [or payment request or both], I certify to the best of my knowledge and belief that the report [or payment request] is true, complete, and accurate; that the expenditures, disbursements and cash receipts are for the purposes and objectives set forth in the terms and conditions of the State or federal pass-through award; and that supporting documentation has been submitted as required by the grant agreement. I acknowledge that approval for any other expenditure described herein is considered conditional subject to further review and verification in accordance with the monitoring and records retention provisions of the grant agreement. I am aware that any false, fictitious, or fraudulent information, or the omission of any material fact, may subject me to criminal, civil or administrative penalties for fraud, false statements, false claims or otherwise (U.S. Code Title 18, Section 1001 and Title 31, Sections 3729-3730 and 3801-3812; 30 ILCS 708/120).

#### ARTICLE V SCOPE OF AWARD ACTIVITIES/PURPOSE OF AWARD

5.1. Scope of Award Activities/Purpose of Award. Grantee must perform as described in this Agreement, including as described in **Exhibit A** (Project Description), **Exhibit B** (Deliverables or Milestones), and **Exhibit D** (Performance Measures and Standards), as applicable. Grantee must further comply with all terms and conditions set forth in the Notice of State Award (44 Ill. Admin. Code 7000.360) which is incorporated herein by reference. All Grantor-specific provisions and programmatic reporting required under this Agreement are described in **PART TWO** (Grantor-Specific Terms). All Project-specific provisions and reporting required under this Agreement are described in **PART THREE** (Project-Specific Terms).

5.2. Scope Revisions. Grantee must obtain Prior Approval from Grantor whenever a scope revision is necessary for one or more of the reasons enumerated in 44 Ill. Admin. Code 7000.370(b)(2). All requests for scope revisions that require Grantor approval must be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before Grantor gives written approval. 2 CFR 200.308.

5.3. Specific Conditions. If applicable, specific conditions required after a risk assessment are included in **Exhibit E**. Grantee must adhere to the specific conditions listed therein. 44 Ill. Admin. Code 7000.340(e).

#### ARTICLE VI BUDGET

6.1. Budget. The Budget submitted by Grantee at application, or a revised Budget subsequently submitted and approved by Grantor, is considered final and is incorporated herein by reference.

6.2. Budget Revisions. Grantee must obtain Prior Approval, whether mandated or discretionary, from Grantor whenever a Budget revision is necessary for one or more of the reasons enumerated in 44 Ill. Admin. Code 7000.370(b). All requests for Budget revisions that require Grantor approval must be signed by Grantee's authorized representative and submitted to Grantor for approval. Expenditure of funds under a requested revision is prohibited and will not be reimbursed if expended before Grantor gives written approval.

6.3. Notification. Within thirty (30) calendar days from the date of receipt of the request for Budget revisions, Grantor will review the request and notify Grantee whether the Budget revision has been approved, denied, or the date upon which a decision will be reached. 44 Ill. Admin. Code 7000.370(b)(7).

## ARTICLE VII ALLOWABLE COSTS

7.1. Allowability of Costs; Cost Allocation Methods. The allowability of costs and cost allocation methods for work performed under this Agreement will be determined in accordance with 2 CFR Part 200 Subpart E and Appendices III, IV, V, and VII.

7.2. Indirect Cost Rate Submission.

(a) All grantees, except for Local Education Agencies (as defined in 34 CFR 77.1), must make an Indirect Cost Rate election in the Grantee Portal, even grantees that do not charge or expect to charge Indirect Costs. 44 Ill. Admin. Code 7000.420(e).

(i) Waived and de minimis Indirect Cost Rate elections will remain in effect until Grantee elects a different option.

(b) Grantee must submit an Indirect Cost Rate Proposal in accordance with federal and State regulations, in a format prescribed by Grantor. For grantees who have never negotiated an Indirect Cost Rate before, the Indirect Cost Rate Proposal must be submitted for approval no later than three months after the effective date of the Award. For grantees who have previously negotiated an Indirect Cost Rate, the Indirect Cost Rate Proposal must be submitted for approval within 180 days of Grantee's fiscal year end, as dictated in the applicable appendices, such as:

(i) Appendix VII to 2 CFR Part 200 governs Indirect Cost Rate Proposals for state and Local Governments and Indian Tribes,

(ii) Appendix III to 2 CFR Part 200 governs Indirect Cost Rate Proposals for public and private institutions of higher education,

(iii) Appendix IV to 2 CFR Part 200 governs Indirect (F&A) Costs Identification and Assignment, and Rate Determination for Nonprofit Organizations, and

(iv) Appendix V to 2 CFR Part 200 governs state/Local Governmentwide Central Service Cost Allocation Plans.

(c) A grantee who has a current, applicable rate negotiated by a cognizant federal agency must provide to Grantor a copy of its Indirect Cost Rate acceptance letter from the federal government and a copy of all documentation regarding the allocation methodology for costs used to negotiate that rate, e.g., without limitation, the cost policy statement or disclosure narrative statement. Grantor will accept that Indirect Cost Rate, up to any statutory, rule-based or programmatic limit.

(d) A grantee who does not have a current negotiated rate, may elect to charge the *de minimis* rate as set forth in 2 CFR 200.414(f), which may be used indefinitely. No documentation is

required to justify the *de minimis* Indirect Cost Rate. 2 CFR 200.414(f).

7.3. Transfer of Costs. Cost transfers between Grants, whether as a means to compensate for cost overruns or for other reasons, are unallowable. 2 CFR 200.451.

7.4. Commercial Organization Cost Principles. The federal cost principles and procedures for cost analysis and the determination, negotiation and allowance of costs that apply to commercial organizations are set forth in 48 CFR Part 31.

7.5. Financial Management Standards. The financial management systems of Grantee must meet the following standards:

(a) **Accounting System**. Grantee organizations must have an accounting system that provides accurate, current, and complete disclosure of all financial transactions related to each state- and federally-funded Program. Accounting records must contain information pertaining to State and federal pass-through awards, authorizations, Obligations, unobligated balances, assets, outlays, and income. These records must be maintained on a current basis and balanced at least quarterly. Cash contributions to the Program from third parties must be accounted for in the general ledger with other Grant Funds. Third party in-kind (non-cash) contributions are not required to be recorded in the general ledger, but must be under accounting control, possibly through the use of a memorandum ledger. To comply with 2 CFR 200.305(b)(7)(i) and 30 ILCS 708/97, Grantee must use reasonable efforts to ensure that funding streams are delineated within Grantee's accounting system. 2 CFR 200.302.

(b) **Source Documentation**. Accounting records must be supported by such source documentation as canceled checks, bank statements, invoices, paid bills, donor letters, time and attendance records, activity reports, travel reports, contractual and consultant agreements, and subaward documentation. All supporting documentation must be clearly identified with the Award and general ledger accounts which are to be charged or credited.

(i) The documentation standards for salary charges to Grants are prescribed by 2 CFR 200.430, and in the cost principles applicable to the Grantee's organization.

(ii) If records do not meet the standards in 2 CFR 200.430, then Grantor may notify Grantee in **PART TWO**, **PART THREE** or **Exhibit E** of the requirement to submit personnel activity reports. 2 CFR 200.430(i)(8). Personnel activity reports must account on an after-the-fact basis for one hundred percent (100%) of the employee's actual time, separately indicating the time spent on the Award, other grants or projects, vacation or sick leave, and administrative time, if applicable. The reports must be signed by the employee, approved by the appropriate official, and coincide with a pay period. These time records must be used to record the distribution of salary costs to the appropriate accounts no less frequently than quarterly.

(iii) Formal agreements with independent contractors, such as consultants, must include a description of the services to be performed, the period of performance, the fee and method of payment, an itemization of travel and other costs which are chargeable to the agreement, and the signatures of both the contractor and an appropriate official of Grantee.

(iv) If third party in-kind (non-cash) contributions are used for Award purposes, the valuation of these contributions must be supported with adequate documentation.

(c) **Internal Control**. Grantee must maintain effective control and accountability for all cash, real and personal property, and other assets. Grantee must adequately safeguard all such property and must provide assurance that it is used solely for authorized purposes. Grantee must also have systems in

place that provide reasonable assurance that the information is accurate, allowable, and compliant with the terms and conditions of this Agreement. 2 CFR 200.303.

(d) **Budget Control.** Grantee must maintain records of expenditures for each Award by the cost categories of the approved Budget (including Indirect Costs that are charged to the Award), and actual expenditures are to be compared with budgeted amounts at least quarterly.

(e) **Cash Management.** Requests for advance payment must be limited to Grantee's immediate cash needs. Grantee must have written procedures to minimize the time elapsing between the receipt and the disbursement of Grant Funds to avoid having excess funds on hand. 2 CFR 200.305.

7.6. **Profits.** It is not permitted for any person or entity to earn a Profit from an Award. *See, e.g.,* 2 CFR 200.400(g); *see also* 30 ILCS 708/60(a)(7).

7.7. **Management of Program Income.** Grantee is encouraged to earn income to defray Program Costs where appropriate, subject to 2 CFR 200.307.

## ARTICLE VIII LOBBYING

8.1. **Improper Influence.** Grantee certifies that it will not use and has not used Grant Funds to influence or attempt to influence an officer or employee of any government agency or a member or employee of the State or federal legislature in connection with the awarding of any agreement, the making of any grant, the making of any loan, the entering into of any cooperative agreement, or the extension, continuation, renewal, amendment or modification of any agreement, grant, loan or cooperative agreement. Additionally, Grantee certifies that it has filed the required certification under the Byrd Anti-Lobbying Amendment (31 USC 1352), if applicable.

8.2. **Federal Form LLL.** If any federal funds, other than federally-appropriated funds, were paid or will be paid to any person for influencing or attempting to influence any of the above persons in connection with this Agreement, the undersigned must also complete and submit Federal Form LLL, Disclosure of Lobbying Activities Form, in accordance with its instructions.

8.3. **Lobbying Costs.** Grantee certifies that it is in compliance with the restrictions on lobbying set forth in 2 CFR 200.450. For any Indirect Costs associated with this Agreement, total lobbying costs must be separately identified in the Program Budget, and thereafter treated as other Unallowable Costs.

8.4. **Procurement Lobbying.** Grantee warrants and certifies that it and, to the best of its knowledge, its subrecipients have complied and will comply with Illinois Executive Order No. 1 (2007) (EO 1-2007). EO 1-2007 generally prohibits grantees and subcontractors from hiring the then-serving Governor's family members to lobby procurement activities of the State, or any other unit of government in Illinois including local governments, if that procurement may result in a contract valued at over \$25,000. This prohibition also applies to hiring for that same purpose any former State employee who had procurement authority at any time during the one-year period preceding the procurement lobbying activity.

8.5. **Subawards.** Grantee must include the language of this ARTICLE in the award documents for any subawards made pursuant to this Award at all tiers. All subrecipients are also subject to certification and disclosure. Pursuant to Appendix II(I) to 2 CFR Part 200, Grantee must forward all disclosures by contractors regarding this certification to Grantor.

8.6. Certification. This certification is a material representation of fact upon which reliance was placed to enter into this transaction and is a prerequisite for this transaction, pursuant to 31 USC 1352. Any person who fails to file the required certifications will be subject to a civil penalty of not less than \$10,000, and not more than \$100,000, for each such failure.

## ARTICLE IX MAINTENANCE AND ACCESSIBILITY OF RECORDS; MONITORING

9.1. Records Retention. Grantee must maintain for three (3) years from the date of submission of the final expenditure report, adequate books, all financial records and, supporting documents, statistical records, and all other records pertinent to this Award, adequate to comply with 2 CFR 200.334, unless a different retention period is specified in 2 CFR 200.334, 44 Ill. Admin. Code 7000.430(a) and (b) or **PART TWO** or **PART THREE**. If any litigation, claim or audit is started before the expiration of the retention period, the records must be retained until all litigation, claims or audit exceptions involving the records have been resolved and final action taken.

9.2. Accessibility of Records. Grantee, in compliance with 2 CFR 200.337 and 44 Ill. Admin. Code 7000.430(f), must make books, records, related papers, supporting documentation and personnel relevant to this Agreement available to authorized Grantor representatives, the Illinois Auditor General, Illinois Attorney General, any Executive Inspector General, Grantor's Inspector General, federal authorities, any person identified in 2 CFR 200.337, and any other person as may be authorized by Grantor (including auditors), by the State of Illinois or by federal statute. Grantee must cooperate fully in any such audit or inquiry.

9.3. Failure to Maintain Books and Records. Failure to maintain adequate books, records and supporting documentation, as described in this ARTICLE, will result in the disallowance of costs for which there is insufficient supporting documentation and also establishes a presumption in favor of the State for the recovery of any Grant Funds paid by the State under this Agreement for which adequate books, records and supporting documentation are not available to support disbursement.

9.4. Monitoring and Access to Information. Grantee must monitor its activities to assure compliance with applicable state and federal requirements and to assure its performance expectations are being achieved. Grantor will monitor the activities of Grantee to assure compliance with all requirements, including appropriate programmatic rules, regulations, and guidelines that the Grantor promulgates or implements, and performance expectations of the Award. Grantee must timely submit all financial and performance reports, and must supply, upon Grantor's request, documents and information relevant to the Award. Grantor may make site visits as warranted by Program needs. 2 CFR 200.329; 200.332. Additional monitoring requirements may be in **PART TWO** or **PART THREE**.

## ARTICLE X FINANCIAL REPORTING REQUIREMENTS

10.1. Required Periodic Financial Reports. Grantee must submit financial reports as requested and in the format required by Grantor no later than the dues date(s) specified in **PART TWO** or **PART THREE**. Grantee must submit quarterly reports with Grantor describing the expenditure(s) of the funds related thereto, unless more frequent reporting is required by the Grantee due to the funding source or pursuant to specific award conditions. 2 CFR 200.208. Any report required by 30 ILCS 708/125 may be detailed in **PART TWO** or **PART THREE**.

10.2. Financial Close-out Report.

(a) Grantee must submit a financial Close-out Report, in the format required by Grantor, by the due date specified in **PART TWO** or **PART THREE**, which must be no later than sixty (60) calendar days following the end of the Period of Performance for this Agreement or Agreement termination. The format of this financial Close-out Report must follow a format prescribed by Grantor. 2 CFR 200.344; 44 Ill. Admin. Code 7000.440(b).

(b) If an audit or review of Grantee occurs and results in adjustments after Grantee submits a Close-out Report, Grantee must submit a new financial Close-out Report based on audit adjustments, and immediately submit a refund to Grantor, if applicable. 2 CFR 200.345; 44 Ill. Admin. Code 7000.450.

10.3. Effect of Failure to Comply. Failure to comply with the reporting requirements in this Agreement may cause a delay or suspension of funding or require the return of improper payments or Unallowable Costs, and will be considered a material breach of this Agreement. Grantee's failure to comply with ARTICLE X, ARTICLE XI, or ARTICLE XVII will be considered prima facie evidence of a breach and may be admitted as such, without further proof, into evidence in an administrative proceeding before Grantor, or in any other legal proceeding. Grantee should refer to the State Grantee Compliance Enforcement System for policy and consequences for failure to comply. 44 Ill. Admin. Code 7000.80.

## ARTICLE XI PERFORMANCE REPORTING REQUIREMENTS

11.1. Required Periodic Performance Reports. Grantee must submit performance reports as requested and in the format required by Grantor no later than the due date(s) specified in **PART TWO** or **PART THREE**. 44 Ill. Admin. Code 7000.410. Grantee must report to Grantor on the performance measures listed in **Exhibit D**, **PART TWO** or **PART THREE** at the intervals specified by Grantor, which must be no less frequent than annually and no more frequent than quarterly, unless otherwise specified in **PART TWO**, **PART THREE**, or **Exhibit E** pursuant to specific award conditions. For certain construction-related Awards, such reports may be exempted as identified in **PART TWO** or **PART THREE**. 2 CFR 200.329.

11.2. Performance Close-out Report. Grantee must submit a performance Close-out Report, in the format required by Grantor by the due date specified in **PART TWO** or **PART THREE**, which must be no later than 60 calendar days following the end of the Period of Performance or Agreement termination. 2 CFR 200.344; 44 Ill. Admin. Code 7000.440(b).

11.3. Content of Performance Reports. Pursuant to 2 CFR 200.329(b) and (c), all performance reports must relate the financial data and accomplishments to the performance goals and objectives of this Award and also include the following: a comparison of actual accomplishments to the objectives of the Award established for the period; where the accomplishments can be quantified, a computation of the cost and demonstration of cost effective practices (e.g., through unit cost data); performance trend data and analysis if required; and reasons why established goals were not met, if appropriate. Additional content and format guidelines for the performance reports will be determined by Grantor contingent on the Award's statutory, regulatory and administrative requirements, and are included in **PART TWO** or **PART THREE** of this Agreement.

## ARTICLE XII AUDIT REQUIREMENTS

12.1. Audits. Grantee is subject to the audit requirements contained in the Single Audit Act Amendments of 1996 (31 USC 7501-7507), Subpart F of 2 CFR Part 200, and the audit rules and policies set forth by the Governor's Office of Management and Budget. 30 ILCS 708/65(c); 44 Ill. Admin. Code 7000.90.

12.2. Consolidated Year-End Financial Reports (CYEFR). All grantees must complete and submit a CYEFR through the Grantee Portal, except those exempted by federal or State statute or regulation, as set forth in **PART TWO** or **PART THREE**. The CYEFR is a required schedule in Grantee's audit report if Grantee is required to complete and submit an audit report as set forth herein.

(a) Grantee's CYEFR must cover the same period as the audited financial statements, if required, and must be submitted in accordance with the audit schedule at 44 Ill. Admin. Code 7000.90. If Grantee is not required to complete audited financial statements, the CYEFR must cover Grantee's fiscal year and must be submitted within 6 months of the Grantee's fiscal year-end.

(b) The CYEFR must include an in relation to opinion from the auditor of the financial statements included in the audit.

(c) The CYEFR must follow a format prescribed by Grantor.

12.3. Entities That Are Not "For-Profit".

(a) This Paragraph applies to Grantees that are not "for-profit" entities.

(b) Single and Program-Specific Audits. If, during its fiscal year, Grantee expends at least the threshold amount as set out in 2 CFR 200.501(a) in federal Awards (direct federal and federal pass-through awards combined), Grantee must have a single audit or program-specific audit conducted for that year as required by 2 CFR 200.501 and other applicable sections of Subpart F of 2 CFR Part 200. The audit report packet must be completed as described in 2 CFR 200.512 (single audit) or 2 CFR 200.507 (program-specific audit), 44 Ill. Admin. Code 7000.90(h)(1) and the current GATA audit manual and submitted to the Federal Audit Clearinghouse, as required by 2 CFR 200.512. The results of peer and external quality control reviews, management letters issued by the auditors and their respective corrective action plans if significant deficiencies or material weaknesses are identified, and the CYEFR(s) must be submitted to the Grantee Portal at the same time the audit report packet is submitted to the Federal Audit Clearinghouse. The due date of all required submissions set forth in this Paragraph is the earlier of (i) thirty (30) calendar days after receipt of the auditor's report(s) or (ii) nine (9) months after the end of Grantee's audit period.

(c) Financial Statement Audit. If, during its fiscal year, Grantee expends less than the threshold amount as set out in 2 CFR 200.501(a) in federal Awards, Grantee is subject to the following audit requirements:

(i) If, during its fiscal year, Grantee expends at least the threshold amount as set out in 44 Ill. Admin. Code 7000.90(c)(1) in State-issued Awards, Grantee must have a financial statement audit conducted in accordance with the Generally Accepted Government Auditing Standards (GAGAS). Grantee may be subject to additional requirements in **PART TWO, PART THREE** or **Exhibit E** based on Grantee's risk profile.

(ii) If, during its fiscal year, Grantee expends less than the threshold amount as set out in 44 Ill. Admin. Code 7000.90(c)(1) in State-issued Awards, but expends at least the threshold amount as set out in 44 Ill. Admin Code 7000.90(c)(2) in State-issued Awards, Grantee must have a financial statement audit conducted in accordance with the Generally Accepted Auditing Standards (GAAS).

(iii) If Grantee is a Local Education Agency (as defined in 34 CFR 77.1), Grantee must have a financial statement audit conducted in accordance with GAGAS, as required by 23 Ill. Admin. Code 100.110, regardless of the dollar amount of expenditures of State-issued Awards.

(iv) If Grantee does not meet the requirements in subsections 12.3(b) and 12.3(c)(i-iii) but is required to have a financial statement audit conducted based on other regulatory requirements, Grantee must submit those audits for review.

(v) Grantee must submit its financial statement audit report packet, as set forth in 44 Ill. Admin. Code 7000.90(h)(2) and the current GATA audit manual, to the Grantee Portal within the earlier of (i) thirty (30) calendar days after receipt of the auditor's report(s) or (ii) six (6) months after the end of Grantee's audit period.

#### 12.4. "For-Profit" Entities.

(a) This Paragraph applies to Grantees that are "for-profit" entities.

(b) Program-Specific Audit. If, during its fiscal year, Grantee expends at least the threshold amount as set out in 2 CFR 200.501(a) in federal pass-through funds from State-issued Awards, Grantee must have a program-specific audit conducted in accordance with 2 CFR 200.507. The auditor must audit federal pass-through programs with federal pass-through Awards expended that, in the aggregate, cover at least 50 percent (0.50) of total federal pass-through Awards expended. The audit report packet must be completed as described in 2 CFR 200.507 (program-specific audit), 44 Ill. Admin. Code 7000.90 and the current GATA audit manual, and must be submitted to the Grantee Portal. The due date of all required submissions set forth in this Paragraph is the earlier of (i) thirty (30) calendar days after receipt of the auditor's report(s) or (ii) nine (9) months after the end of Grantee's audit period.

(c) Financial Statement Audit. If, during its fiscal year, Grantee expends less than the threshold amount as set out in 2 CFR 200.501(a) in federal pass-through funds from State-issued Awards, Grantee must follow all of the audit requirements in Paragraphs 12.3(c)(i)-(v), above.

(d) Publicly-Traded Entities. If Grantee is a publicly-traded company, Grantee is not subject to the single audit or program-specific audit requirements, but must submit its annual audit conducted in accordance with its regulatory requirements.

12.5. Performance of Audits. For those organizations required to submit an independent audit report, the audit must be conducted by the Illinois Auditor General (as required for certain governmental entities only), or a Certified Public Accountant or Certified Public Accounting Firm licensed in the State of Illinois or in accordance with Section 5.2 of the Illinois Public Accounting Act (225 ILCS 450/5.2). For all audits required to be performed subject to GAGAS or Generally Accepted Auditing Standards, Grantee must request and maintain on file a copy of the auditor's most recent peer review report and acceptance letter. Grantee must follow procedures prescribed by Grantor for the preparation and submission of audit reports and any related documents.

12.6. Delinquent Reports. When audit reports or financial statements required under this ARTICLE are prepared by the Illinois Auditor General, if they are not available by the above-specified due date, they must be provided to Grantor within thirty (30) days of becoming available. Grantee should refer to the State Grantee Compliance Enforcement System for the policy and consequences for late reporting. 44 Ill. Admin. Code 7000.80.

### ARTICLE XIII TERMINATION; SUSPENSION; NON-COMPLIANCE

13.1. Termination.

(a) Either Party may terminate this Agreement, in whole or in part, upon thirty (30) calendar days' prior written notice to the other Party.

(b) If terminated by the Grantee, Grantee must include the reasons for such termination, the effective date, and, in the case of a partial termination, the portion to be terminated. If Grantor determines in the case of a partial termination that the reduced or modified portion of the Award will not accomplish the purposes for which the Award was made, Grantor may terminate the Agreement in its entirety. 2 CFR 200.340(a)(4).

(c) This Agreement may be terminated, in whole or in part, by Grantor:

(i) Pursuant to a funding failure under Paragraph 4.1;

(ii) If Grantee fails to comply with the terms and conditions of this or any Award, application or proposal, including any applicable rules or regulations, or has made a false representation in connection with the receipt of this or any Award; or

(iii) If the Award no longer effectuates the Program goals or agency priorities as set forth in **Exhibit A, PART TWO** or **PART THREE**.

13.2. Suspension. Grantor may suspend this Agreement, in whole or in part, pursuant to a funding failure under Paragraph 4.1 or if the Grantee fails to comply with terms and conditions of this or any Award. If suspension is due to Grantee's failure to comply, Grantor may withhold further payment and prohibit Grantee from incurring additional Obligations pending corrective action by Grantee or a decision to terminate this Agreement by Grantor. Grantor may allow necessary and proper costs that Grantee could not reasonably avoid during the period of suspension.

13.3. Non-compliance. If Grantee fails to comply with the U.S. Constitution, applicable statutes, regulations or the terms and conditions of this or any Award, Grantor may impose additional conditions on Grantee, as described in 2 CFR 200.208. If Grantor determines that non-compliance cannot be remedied by imposing additional conditions, Grantor may take one or more of the actions described in 2 CFR 200.339. The Parties must follow all Grantor policies and procedures regarding non-compliance, including, but not limited to, the procedures set forth in the State Grantee Compliance Enforcement System. 44 Ill. Admin. Code 7000.80 and 7000.260.

13.4. Objection. If Grantor suspends or terminates this Agreement, in whole or in part, for cause, or takes any other action in response to Grantee's non-compliance, Grantee may avail itself of any opportunities to object and challenge such suspension, termination or other action by Grantor in accordance with any applicable processes and procedures, including, but not limited to, the procedures set forth in the State Grantee Compliance Enforcement System. 2 CFR 200.342; 44 Ill. Admin. Code 7000.80 and 7000.260.

13.5. Effects of Suspension and Termination.

(a) Grantor may credit Grantee for allowable expenditures incurred in the performance of authorized services under this Agreement prior to the effective date of a suspension or termination.

(b) Except as set forth in subparagraph (c), below, Grantee must not incur any costs or

Obligations that require the use of Grant Funds after the effective date of a suspension or termination, and must cancel as many outstanding Obligations as possible.

(c) Costs to Grantee resulting from Obligations incurred by Grantee during a suspension or after termination of the Agreement are not allowable unless Grantor expressly authorizes them in the notice of suspension or termination or subsequently. However, Grantor may allow costs during a suspension or after termination if:

(i) The costs result from Obligations properly incurred before the effective date of suspension or termination, are not in anticipation of the suspension or termination, and the costs would be allowable if the Agreement was not suspended or terminated prematurely. 2 CFR 200.343.

13.6. Close-out of Terminated Agreements. If this Agreement is terminated, in whole or in part, the Parties must comply with all close-out and post-termination requirements of this Agreement. 2 CFR 200.340(d).

#### ARTICLE XIV SUBCONTRACTS/SUBAWARDS

14.1. Subcontracting/Subrecipients/Delegation. Grantee must not subcontract nor issue a subaward for any portion of this Agreement nor delegate any duties hereunder without Prior Approval of Grantor. The requirement for Prior Approval is satisfied if the subcontractor or subrecipient has been identified in the uniform grant application, such as, without limitation, a Project description, and Grantor has approved. Grantee must notify any potential subrecipient that the subrecipient must obtain and provide to the Grantee a Unique Entity Identifier prior to receiving a subaward. 2 CFR 25.300.

14.2. Application of Terms. If Grantee enters into a subaward agreement with a subrecipient, Grantee must notify the subrecipient of the applicable laws and regulations and terms and conditions of this Award by attaching this Agreement to the subaward agreement. The terms of this Agreement apply to all subawards authorized in accordance with Paragraph 14.1. 2 CFR 200.101(b)(2).

14.3. Liability as Guaranty. Grantee will be liable as guarantor for any Grant Funds it obligates to a subrecipient or subcontractor pursuant to this ARTICLE in the event Grantor determines the funds were either misspent or are being improperly held and the subrecipient or subcontractor is insolvent or otherwise fails to return the funds. 2 CFR 200.345; 30 ILCS 705/6; 44 Ill. Admin. Code 7000.450(a).

#### ARTICLE XV NOTICE OF CHANGE

15.1. Notice of Change. Grantee must notify Grantor if there is a change in Grantee's legal status, FEIN, UEI, SAM registration status, Related Parties, senior management (for non-governmental grantees only) or address. If the change is anticipated, Grantee must give thirty (30) days' prior written notice to Grantor. If the change is unanticipated, Grantee must give notice as soon as practicable thereafter. Grantor reserves the right to take any and all appropriate action as a result of such change(s).

15.2. Failure to Provide Notification. To the extent permitted by Illinois law (see Paragraph 21.2), Grantee must hold harmless Grantor for any acts or omissions of Grantor resulting from Grantee's failure to notify Grantor as required by Paragraph 15.1.

15.3. Notice of Impact. Grantee must notify Grantor in writing of any event, including, by not limited to, becoming a party to litigation, an investigation, or transaction that may have a material impact on Grantee's ability to perform under this Agreement. Grantee must provide notice to Grantor as soon as possible, but no later than five (5) days after Grantee becomes aware that the event may have a material impact.

15.4. Effect of Failure to Provide Notice. Failure to provide the notice described in this ARTICLE is grounds for termination of this Agreement and any costs incurred after the date notice should have been given may be disallowed.

#### **ARTICLE XVI STRUCTURAL REORGANIZATION AND RECONSTITUTION OF BOARD MEMBERSHIP**

16.1. Effect of Reorganization. This Agreement is made by and between Grantor and Grantee, as Grantee is currently organized and constituted. Grantor does not agree to continue this Agreement, or any license related thereto, should Grantee significantly reorganize or otherwise substantially change the character of its corporate structure, business structure or governance structure. Grantee must give Grantor prior notice of any such action or changes significantly affecting its overall structure or, for non-governmental grantees only, management makeup (for example, a merger or a corporate restructuring), and must provide all reasonable documentation necessary for Grantor to review the proposed transaction including financial records and corporate and shareholder minutes of any corporation which may be involved. Grantor reserves the right to terminate the Agreement based on whether the newly organized entity is able to carry out the requirements of the Award. This ARTICLE does not require Grantee to report on minor changes in the makeup of its board membership or governance structure, as applicable. Nevertheless, **PART TWO** or **PART THREE** may impose further restrictions. Failure to comply with this ARTICLE constitutes a material breach of this Agreement.

#### **ARTICLE XVII CONFLICT OF INTEREST**

17.1. Required Disclosures. Grantee must immediately disclose in writing any potential or actual Conflict of Interest to Grantor. 2 CFR 200.113; 30 ILCS 708/35.

17.2. Prohibited Payments. Payments made by Grantor under this Agreement must not be used by Grantee to compensate, directly or indirectly, any person currently holding an elective office in this State including, but not limited to, a seat in the General Assembly. In addition, where Grantee is not an instrumentality of the State of Illinois, as described in this Paragraph, Grantee must request permission from Grantor to compensate, directly or indirectly, any officer or any person employed by an office or agency of the State of Illinois. An instrumentality of the State of Illinois includes, without limitation, State departments, agencies, boards, and State universities. An instrumentality of the State of Illinois does not include, without limitation, units of Local Government and related entities.

17.3. Request for Exemption. Grantee may request written approval from Grantor for an exemption from Paragraph 17.2. Grantee acknowledges that Grantor is under no obligation to provide such exemption and that Grantor may grant an such exemption subject to additional terms and conditions as Grantor may require.

#### **ARTICLE XVIII EQUIPMENT OR PROPERTY**

18.1. Purchase of Equipment. For any equipment purchased in whole or in part with Grant Funds, if Grantor determines that Grantee has not met the conditions of 2 CFR 200.439, the costs for such equipment will be disallowed. Grantor must notify Grantee in writing that the purchase of equipment is disallowed.

18.2. Prohibition against Disposition/Encumbrance. Any equipment, material, or real property that Grantee purchases or improves with Grant Funds must not be sold, transferred, encumbered (other than original financing) or otherwise disposed of during the Award Term without Prior Approval of Grantor unless a longer period is required in **PART TWO** or **PART THREE** and permitted by 2 CFR Part 200 Subpart D. Use or disposition of real property acquired or improved using Grant Funds must comply with the requirements of 2 CFR 200.311. Real property, equipment, and intangible property that are acquired or improved in whole or in part using Grant Funds are subject to the provisions of 2 CFR 200.316. Grantor may require the Grantee to record liens or other appropriate notices of record to indicate that personal or real property has been acquired or improved with this Award and that use and disposition conditions apply to the property.

18.3. Equipment and Procurement. Grantee must comply with the uniform standards set forth in 2 CFR 200.310–200.316 governing the management and disposition of property, the cost of which was supported by Grant Funds. Any waiver from such compliance must be granted by either the President’s Office of Management and Budget, the Governor’s Office of Management and Budget, or both, depending on the source of the Grant Funds used. Additionally, Grantee must comply with the standards set forth in 2 CFR 200.317-200.326 to establish procedures to use Grant Funds for the procurement of supplies and other expendable property, equipment, real property and other services.

18.4. Equipment Instructions. Grantee must obtain disposition instructions from Grantor when equipment, purchased in whole or in part with Grant Funds, is no longer needed for their original purpose. Notwithstanding anything to the contrary contained in this Agreement, Grantor may require transfer of any equipment to Grantor or a third party for any reason, including, without limitation, if Grantor terminates the Award or Grantee no longer conducts Award activities. Grantee must properly maintain, track, use, store and insure the equipment according to applicable best practices, manufacturer’s guidelines, federal and state laws or rules, and Grantor requirements stated herein.

18.5. Domestic Preferences for Procurements. In accordance with 2 CFR 200.322, as appropriate and to the extent consistent with law, Grantee must, to the greatest extent practicable under this Award, provide a preference for the purchase, acquisition, or use of goods, products, or materials produced in the United States (including but not limited to iron, aluminum, steel, cement, and other manufactured products). The requirements of this Paragraph must be included in all subawards and in all contracts and purchase orders for work or products under this Award.

## ARTICLE XIX PROMOTIONAL MATERIALS; PRIOR NOTIFICATION

19.1. Promotional and Written Materials. Use of Grant Funds for promotions is subject to the prohibitions for advertising or public relations costs in 2 CFR 200.421(e). In the event that Grant Funds are used in whole or in part to produce any written publications, announcements, reports, flyers, brochures or other written materials, Grantee must obtain Prior Approval for the use of those funds (2 CFR 200.467) and must include in these publications, announcements, reports, flyers, brochures and all other such material, the phrase “Funding provided in whole or in part by the [Grantor].” 2 CFR 200.467. Exceptions to this requirement must be requested, in writing, from Grantor and will be considered authorized only upon written notice thereof to Grantee.

19.2. Prior Notification/Release of Information. Grantee must notify Grantor ten (10) days prior to issuing public announcements or press releases concerning work performed pursuant to this Agreement, or funded in whole or in part by this Agreement, and must cooperate with Grantor in joint or coordinated releases of information.

## ARTICLE XX INSURANCE

20.1. Maintenance of Insurance. Grantee must maintain in full force and effect during the Term of this Agreement casualty and bodily injury insurance, as well as insurance sufficient to cover the replacement cost of any and all real or personal property, or both, purchased or, otherwise acquired, or improved in whole or in part, with funds disbursed pursuant to this Agreement. 2 CFR 200.310. Additional insurance requirements may be detailed in PART TWO or PART THREE.

20.2. Claims. If a claim is submitted for real or personal property, or both, purchased in whole with funds from this Agreement and such claim results in the recovery of money, such money recovered must be surrendered to Grantor.

## ARTICLE XXI LAWSUITS AND INDEMNIFICATION

21.1. Independent Contractor. Neither Grantee nor any employee or agent of Grantee acquires any employment rights with Grantor by virtue of this Agreement. Grantee must provide the agreed services and achieve the specified results free from the direction or control of Grantor as to the means and methods of performance. Grantee must provide its own equipment and supplies necessary to conduct its business; provided, however, that in the event, for its convenience or otherwise, Grantor makes any such equipment or supplies available to Grantee, Grantee's use of such equipment or supplies provided by Grantor pursuant to this Agreement is strictly limited to official Grantor or State of Illinois business and not for any other purpose, including any personal benefit or gain.

21.2. Indemnification and Liability.

(a) **Non-governmental entities.** This subparagraph applies only if Grantee is a non-governmental entity. Grantee must hold harmless Grantor against any and all liability, loss, damage, cost or expenses, including attorneys' fees, arising from the intentional torts, negligence or breach of contract of Grantee, with the exception of acts performed in conformance with an explicit, written directive of Grantor. Indemnification by Grantor is governed by the State Employee Indemnification Act (5 ILCS 350/.01 *et seq.*) as interpreted by the Illinois Attorney General. Grantor makes no representation that Grantee, an independent contractor, will qualify or be eligible for indemnification under said Act.

(b) **Governmental entities.** This subparagraph applies only if Grantee is a governmental unit as designated in Paragraph 3.2. Neither Party shall be liable for actions chargeable to the other Party under this Agreement including, but not limited to, the negligent acts and omissions of the other Party's agents, employees or subcontractors in the performance of their duties as described under this Agreement, unless such liability is imposed by law. This Agreement is not construed as seeking to enlarge or diminish any obligation or duty owed by one Party against the other or against a third party.

**ARTICLE XXII  
MISCELLANEOUS**

22.1. Gift Ban. Grantee is prohibited from giving gifts to State employees pursuant to the State Officials and Employees Ethics Act (5 ILCS 430/10-10) and Illinois Executive Order 15-09.

22.2. Assignment Prohibited. This Agreement must not be sold, assigned, or transferred in any manner by Grantee, to include an assignment of Grantee's rights to receive payment hereunder, and any actual or attempted sale, assignment, or transfer by Grantee without the Prior Approval of Grantor in writing renders this Agreement null, void and of no further effect.

22.3. Copies of Agreements upon Request. Grantee must, upon request by Grantor, provide Grantor with copies of contracts or other agreements to which Grantee is a party with any other State agency.

22.4. Amendments. This Agreement may be modified or amended at any time during its Term by mutual consent of the Parties, expressed in writing and signed by the Parties.

22.5. Severability. If any provision of this Agreement is declared invalid, its other provisions will remain in effect.

22.6. No Waiver. The failure of either Party to assert any right or remedy pursuant to this Agreement will not be construed as a waiver of either Party's right to assert such right or remedy at a later time or constitute a course of business upon which either Party may rely for the purpose of denial of such a right or remedy.

22.7. Applicable Law; Claims. This Agreement and all subsequent amendments thereto, if any, are governed and construed in accordance with the laws of the State of Illinois. Any claim against Grantor arising out of this Agreement must be filed exclusively with the Illinois Court of Claims. 705 ILCS 505/1 *et seq.* Grantor does not waive sovereign immunity by entering into this Agreement.

22.8. Compliance with Law. Grantee is responsible for ensuring that Grantee's Obligations and services hereunder are performed in compliance with all applicable federal and State laws, including, without limitation, federal regulations, State administrative rules, including but not limited to 44 Ill. Admin. Code Part 7000, laws and rules which govern disclosure of confidential records or other information obtained by Grantee concerning persons served under this Agreement, and any license requirements or professional certification provisions.

22.9. Compliance with Freedom of Information Act. Upon request, Grantee must make available to Grantor all documents in its possession that Grantor deems necessary to comply with requests made under the Freedom of Information Act. 5 ILCS 140/7(2).

22.10. Precedence.

(a) Except as set forth in subparagraph (b), below, the following rules of precedence are controlling for this Agreement: In the event there is a conflict between this Agreement and any of the exhibits or attachments hereto, this Agreement controls. In the event there is a conflict between **PART ONE** and **PART TWO** or **PART THREE** of this Agreement, **PART ONE** controls. In the event there is a conflict between **PART TWO** and **PART THREE** of this Agreement, **PART TWO** controls. In the event there is a conflict between this Agreement and relevant statute(s) or rule(s), the relevant statute(s) or rule(s) controls.

(b) Notwithstanding the provisions in subparagraph (a), above, if a relevant federal or state statute(s) or rule(s) requires an exception to this Agreement's provisions, or an exception to a requirement in this Agreement is granted by GATU, such exceptions must be noted in **PART TWO** or **PART THREE**, and in such cases, those requirements control.

22.11. Illinois Grant Funds Recovery Act. In the event of a conflict between the Illinois Grant Funds Recovery Act and the Grant Accountability and Transparency Act, the provisions of the Grant Accountability and Transparency Act control. 30 ILCS 708/80.

22.12. Headings. Articles and other headings contained in this Agreement are for reference purposes only and are not intended to define or limit the scope, extent or intent of this Agreement or any provision hereof.

22.13. Counterparts. This Agreement may be executed in one or more counterparts, each of which are considered to be one and the same agreement, binding on all Parties hereto, notwithstanding that all Parties are not signatories to the same counterpart. Duplicated signatures, signatures transmitted via facsimile, or signatures contained in a Portable Document Format (PDF) document are deemed original for all purposes.

22.14. Attorney Fees and Costs. Unless prohibited by law, if Grantor prevails in any proceeding to enforce the terms of this Agreement, including any administrative hearing pursuant to the Grant Funds Recovery Act or the Grant Accountability and Transparency Act, Grantor has the right to recover reasonable attorneys' fees, costs and expenses associated with such proceedings.

22.15. Continuing Responsibilities. The termination or expiration of this Agreement does not affect: (a) the right of Grantor to disallow costs and recover funds based on a later audit or other review; (b) the obligation of the Grantee to return any funds due as a result of later refunds, corrections or other transactions, including, without limitation, final Indirect Cost Rate adjustments and those funds obligated pursuant to ARTICLE XIV; (c) the CYEFR(s); (d) audit requirements established in 44 Ill. Admin. Code 7000.90 and ARTICLE XII; (e) property management and disposition requirements established in 2 CFR 200.310 through 2 CFR 200.316 and ARTICLE XVIII; or (f) records related requirements pursuant to ARTICLE IX. 44 Ill. Admin. Code 7000.440.

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**EXHIBIT A**

**PROJECT DESCRIPTION**

The Illinois Law Enforcement Camera Grant Program was created to assist law enforcement agencies purchase officer-worn and in-car cameras. These grants to Illinois local governmental police agencies allow for the reimbursement of purchase price associated with in-car video cameras for use in law enforcement vehicles, officer-worn body cameras for law enforcement officers, data storage cost and training for law enforcement officers in the operation of the cameras.

**EXHIBIT B****DELIVERABLES OR MILESTONES****Deliverables:**

Applicant shall submit a request for award of funds via the AmpliFund portal. Necessary application forms and instructions are available through the Board's website at [ptb.illinois.gov](http://ptb.illinois.gov). Announcements will also be made in the Catalog of State Financial Assistance as a Notice of Funding Opportunity (NOFO) in accordance with 44 Ill. Adm. Code 7000.310.

**Eligibility Criteria.**

The law enforcement agency must:

- 1) be an Illinois law enforcement agency of a unit of local government, or public university that is recognized by the Board;
- 2) list their active law enforcement officers on a roster on file with the Board and LEDI; indicate that all active law enforcement officers reflected on the agency roster subject to the mandated training requirements of Section 7 of the Police Training Act are compliant with all Board training requirements at the time of award. Any officer that is not compliant may be listed as inactive upon reporting the date the officer left service, their expected date of return, the reason for leaving service, and an acknowledgement that all outstanding training will be completed within 60 days of return;
- 3) be compliant with all reporting requirements of Sections 15 and 20 of the Law Enforcement Camera Grant Act and Section 10-25 of the Law Enforcement Officer-Worn Body Camera Act [50 ILCS 706]. See 20 Ill. Adm. Code 1705.120
- 4) must meet GATA pre-qualification requirements and Applicant's must have the current annual Fiscal and Administrative Risk Assessment (ICQ) completed and approved by the closing date/time of the funding opportunity in which they are applying.
- 5) Must be current with all financial reporting (Quarterly, annually)

**The following application materials will be required when applying for an award:**

- Grant Application filled in its entirety through AmpliFund, including the budget template
- Mandatory Disclosures
- Conflict of Interest Affidavit (Grantee)
- Supporting Documentation of requested funds, including but not limited to;
  - a) Invoices/lease agreements and proof of payment matching the requested funding amount, listed in a detailed breakdown of per unit costs, accessories, training, and data storage. Bundled invoices can be accepted if costs of items are listed to show per line item in the bulk pricing.
    - 1) Data storage costs for body worn cameras and in-car cameras must be listed separately, if bundled. Only data storage costs for body worn cameras are allowable.
  - b) In-Car Cameras;
    - 1) Proof of installation, including serial numbers, via work-order and proof of payment at time of application submission for reimbursement

Grantees will be asked to verify a) that any awarded advance funding will be held in a segregated, interest-bearing account if required by Administrative Rule; b) that the proper procurement process will be utilized; and c) that it will not have a conflict of interest with the selected vendor.

Please note: acceptance of the NOSA does not constitute an award. An agreement will need to be executed in order to constitute an award.

**Milestones:**

The period of performance for this grant is five years. During that period, grantees whose procurement methods are Reimbursement, Advanced Funding or Working Capital must submit the following:

1. Periodic Performance Reports (PPR) as stated in Exhibit D
2. Periodic Financial Reports (PFR)- as stated in Exhibit D
3. Annual reporting requirements per Camera Grant act as stated in Exhibit D

For Periodic Performance Report (PPR) in leu of listing deliverables please attach the annual report template with data respective to the quarter in which you are reporting on. All reporting is required to be uploaded into AmpliFund via Documents-Public folder.

Quarterly Reporting is due as follows in AmpliFund:

Q1: July 1- September 30 due on October 1<sup>st</sup>

Q2: October 1-December 31 due on January 1<sup>st</sup>

Q3: January 1- March 31 due on April 1<sup>st</sup>

Q4: April 1-June 30 due on July 1<sup>st</sup>

**EXHIBIT C**

**CONTACT INFORMATION**

**CONTACTS FOR NOTIFICATION AND GRANT ADMINISTRATION:**

Unless specified elsewhere, all notices required or desired to be sent by either Party must be sent to the persons listed below. Grantee must notify Grantor of any changes in its contact information listed below within five (5) business days from the effective date of the change, and Grantor must notify Grantee of any changes to its contact information as soon as practicable. The Party making a change must send any changes in writing to the contact for the other Party. No amendment to this Agreement is required if information in this Exhibit is changed.

**FOR OFFICIAL GRANT NOTIFICATIONS**

**GRANTOR CONTACT**

**GRANTEE CONTACT**

Name: Allison Mesecher

Name:

Title: Grant Manager

Title:

Address: 500 S. 9th Street, , Springfield, IL 62701

Address: 400 S Vine St , Urbana, IL 61801

**GRANTEE PAYMENT ADDRESS**

(If different than the address above)

Address:

**FOR GRANT ADMINISTRATION**

<b><u>GRANTOR CONTACT</u></b>	<b><u>GRANTEE CONTACT</u></b>
Name: Allison Mesecher	Name:
Title: Grant Manager	Title:
Address: 500 S. 9th Street, , Springfield, IL 62701	Address: 400 S Vine St , Urbana , Il 61801
Phone: 217-558-1542	Phone: 217-384-2334
TTY#:	TTY#:
E-mail Address: PTB.Grants@illinois.gov	E-mail Address: lisa.curtiss@urbanail.gov

## EXHIBIT D

## PERFORMANCE MEASURES AND STANDARDS

Financial Reporting: Grantees must submit quarterly Periodic Financial Reports (PFRs) of their actual cash disbursements for reimbursement, advanced, or working capital procurements in the GATA Required Periodic Performance Report (PPR) and Periodic Financial Report (PFR) demonstrating all allowable expenditures with backup documentation for each quarter of operations until the end of the grant term. Grantees must submit PPRs/PFRs to their AmpliFund account following the schedule listed in Exhibit B. For the PPR submission please utilize and attach the annual reporting Excel template to your AmpliFund Public Documents. Reports are required throughout the term of the agreement.

**Annual Reporting:**

Each law enforcement agency receiving a grant for **in-car video cameras** under Section 10 of this Act must provide an annual report to the Board, the Governor, and the General Assembly (see below for email address) on or before May 1 of the year following the receipt of the grant and by each May 1 thereafter during the period of the grant. The report shall include the following: (1) the number of cameras received by the law enforcement agency; (2) the number of cameras actually installed in law enforcement agency vehicles; (3) a brief description of the review process used by supervisors within the law enforcement agency; (4) a list of any criminal, traffic, ordinance, and civil cases in which in-car video recordings were used, including party names, case numbers, offenses charged, and disposition of the matter. Proceedings to which this paragraph (4) applies include, but are not limited to, court proceedings, coroner's inquests, grand jury proceedings, and plea bargains; and (5) any other information relevant to the administration of the program.

The Annual reports will be sent to:

ILETSB: [PTB.Reporting@illinois.gov](mailto:PTB.Reporting@illinois.gov)

Governor: [gov.reports@illinois.gov](mailto:gov.reports@illinois.gov)

General Assembly: [reports@ilga.gov](mailto:reports@ilga.gov)

Each law enforcement agency receiving a grant for **officer-worn body cameras - data storage** under Section 10 of this Act must provide an annual report to the Board, the Governor, and the General Assembly (see below for email addresses) on or before May 1 of the year following the receipt of the grant and by each May 1 thereafter during the period of the grant. The report shall include: (1) a brief overview of the makeup of the agency, including the number of officers utilizing officer-worn body cameras; (2) the number of officer-worn body cameras utilized by the law enforcement agency; (3) any technical issues with the equipment and how those issues were remedied; (4) a brief description of the review process used by supervisors within the law enforcement agency; (5) for each recording used in prosecutions of conservation, criminal, or traffic offenses or municipal ordinance violations: (A) the time, date, and location of the incident; and (B) the offenses charged and the date charges were filed; (6) for a recording used in a civil proceeding or internal affairs investigation: (A) the number of pending civil proceedings and internal investigations; (B) in resolved civil proceedings and pending investigations: (i) the nature of the complaint or allegations; (ii) the disposition, if known; and (iii) the date, time and location of the incident; and (7) any other information relevant to the administration of the program.

The Annual reports will be sent to:

ILETSB: [PTB.Reporting@illinois.gov](mailto:PTB.Reporting@illinois.gov)

Governor: [gov.reports@illinois.gov](mailto:gov.reports@illinois.gov)

General Assembly: [reports@ilga.gov](mailto:reports@ilga.gov)

***Additional Information: From time to time, the Board may request any other information relevant to the program's administration.***

**EXHIBIT E**

**SPECIFIC CONDITIONS**

Grantor may remove (or reduce) a Specific Condition included in this Exhibit by providing written notice to the Grantee, in accordance with established procedures for removing a Specific Condition.

<b>ICQ Section:</b>	03-Financial and Programmatic Reporting
<b>Conditions:</b>	Requires development of a plan to correct deficiencies identified in the risk assessment. The state agency may request to review documentation of the plan at its discretion.
<b>Risk Explanation:</b>	Medium to high risk increases the likelihood that grant revenues and expenditures will be inaccurate that could result in misreporting, and an abusive environment.
<b>How to Fix:</b>	Grantee must submit documentation of implementation of new or enhanced accounting system, mitigating controls or a combination of both.
<b>Timeframe:</b>	One year.

**PART TWO –GRANTOR-SPECIFIC TERMS**

In addition to the uniform requirements in **PART ONE**, Grantor has the following additional requirements for its Grantee:

- 23.1 Pre award costs identified in Section 4.2 may be claimed for reimbursement if they are directly related to and allowable under the program specific terms.
- 23.2 The Period of Performance is five years from the date of execution of the Uniform Grant Agreement.
- 23.3 Indirect costs referenced in Section 7.2 are not authorized under this award.

**PART THREE –PROJECT-SPECIFIC TERMS**

In addition to the uniform requirements in **PART ONE** and Grantor-Specific Terms in **PART TWO**, Grantor has the following additional requirements for this Project:

24.1 In addition to the reporting requirements of Section 5.1, grantees must also comply with the reporting requirements of 50 ILCS 707/15 and 50 ILCS 707/20 if they were awarded body worn or in-car cameras, respectively.



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** September 15, 2025, Committee of the Whole

**Subject:** An Ordinance Revising the Annual Budget Ordinance (Budget Amendment #2 – Omnibus)

### Summary

#### *Action Requested*

Forward the budget amendment authorizing these adjustments for approval at the September 22, 2025, City Council meeting. This budget amendment requires six affirmative votes, including the Mayor, in order to pass.

#### *Brief Background*

This ordinance requests Council approval to amend the FY2026 Annual Budget to rebudget some items and provide additional funding for IT hardware.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

The requested items are intended to enable City staff to better serve Urbana residents.

#### *Strategic Goals & Plans*

N/A

#### *Previous Council Actions*

The City Council approved [FY2026 Annual Budget](#) on June 25, 2025 and [Budget Amendment #1](#) on August 25, 2025

### Discussion

#### *Additional Background Information*

#### General Operating Fund Rebudgets:

Certain equipment line items (51411) are budgeted at a consistent annual amount and routinely rebudgeted to reflect the uneven timing of purchases. This includes multiple equipment line items across various departments, totaling \$120,599. Additional items that are rebudgeted include \$6,990 for Police uniform items provided by the City, such as ballistic vests; and \$13,914 for periodic physical exams for police officers.

Rebudgets do not affect fund balance because these funds were budgeted, but not spent, last fiscal year.

Information Technology Fund (610):

The budget amendment will increase the Information Technology budget by \$13,455 to replace the email archive hardware. The current device will reach end of life in February, and timely replacement is necessary to ensure continuity of email archiving and compliance with record retention requirements.

*Operations Impact*

The amendment ensures funding for essential equipment and technology to support operations.

*Fiscal and Budget Impact*

This amendment has no impact on fund balance in the General Operating Fund. The estimated unassigned ending fund balance in the General Operating Fund is \$12,022,410, or 25.16% of recurring expenditures, which complies with the City's Financial Policies. The balance is \$78,208 higher than the minimum requirement. This amount does not include \$5,473,000 reserved for at-risk federal grant programs or funds set aside for the second and third years of the Community Engagement Team pilot program.

*Recommendation*

Forward the budget amendment authorizing these adjustments to the FY2026 budget with a recommendation for approval at the September 22, 2025 City Council meeting.

*Next Steps*

If the proposed adjustments mentioned above are approved, the revisions detailed in the exhibit will be incorporated into the FY2026 Annual Budget.

**Attachments**

1. An Ordinance Revising the Annual Budget Ordinance

Originated: Don Ho, Senior Financial Analyst / Budget Coordinator

Reviewed: Elizabeth Hannan, HR & Finance Director / CFO

Approved: Darius White, City Administrator

**ORDINANCE NO. \_\_\_\_\_**

**AN ORDINANCE REVISING THE ANNUAL BUDGET ORDINANCE**

**(Budget Amendment #2 – Omnibus)**

**WHEREAS**, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution of 1970, and may exercise any power and perform any function pertaining to its governmental business and affairs, and the passage of this Ordinance constitutes an exercise of the City’s home rule powers and functions as granted by the Illinois Constitution of 1970; and

**WHEREAS**, the corporate authorities of the City heretofore did approve the annual budget ordinance of and for the City of Urbana for the fiscal year beginning July 1, 2025 and ending June 30, 2026; and

**WHEREAS**, the said corporate authorities find that revising the annual budget ordinance by deleting, adding to, changing, or creating sub-classes within object classes and object classes themselves is in the best interests of the residents of the City and is desirable for the welfare of the City’s government and affairs; and

**WHEREAS**, funds are available to effectuate the purpose of such revision; and

**WHEREAS**, the Budget Director may not make such revision under the authority so delegated to the Budget Director pursuant to 65 ILCS 5/8-2-9.6 or Urbana City Code Section 2-133.

**NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL AND THE MAYOR, BEING THE CORPORATE AUTHORITIES OF THE CITY OF URBANA, ILLINOIS**, as follows:

**Section 1.**

The annual budget ordinance shall be and the same is hereby revised as set forth in the exhibit appended hereto and made a part hereof as if fully set forth herein.

**Section 2.**

This Ordinance shall be in full force and effect from and after its passage and publication in accordance with Section 1-2-4 of the Illinois Municipal Code (65 ILCS 5/1-2-4).

This Ordinance is hereby passed by the affirmative vote, the “ayes” and “nays” being called, of two-thirds of the corporate authorities then holding office (6 of 8 votes) of the City of Urbana, Illinois, at a duly noticed and convened meeting of the said corporate authorities.

**PASSED BY THE CORPORATE AUTHORITIES** this \_\_ Day of \_\_\_\_\_, 20\_\_.

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

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

ABSTENTIONS: \_\_\_\_\_

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_ Day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
DeShawn B. Williams, Mayor

Budget Amendment 2025/26 - 02 - Exhibit A

General Ledger Code	Project String	Description	Current Budget	Revised Budget	Difference	Reason
<b>GENERAL OPERATING FUND (100)</b>						
<u>Expenditures</u>						
10015150-51411		HUMAN RESOURCES & FINANCE ADM: SMALL SCHEDULED EQUIPMENT	1,713	8,048	6,335	REBUDGET - SCHED EQUIPMENT
10015155-51410		HUMAN RESOURCES: SMALL TOOLS & EQUIPMENT	-	2,782	2,782	REBUDGET - SCHED EQUIPMENT
10020201-51600		POLICE PATROL: UNIFORMS	86,501	93,492	6,990	REBUDGET - PD UNIFORMS
10020201-52103		POLICE PATROL: MEDICAL SERVICES	9,742	23,656	13,914	REBUDGET - MEDICAL SERVICES
10030300-51411		FIRE OPERATIONS: SMALL SCHEDULED EQUIPMENT	4,792	6,368	1,576	REBUDGET - SCHED EQUIPMENT
10040400-51411		PUBLIC WORKS ADMINISTRATION: SMALL SCHEDULED EQUIPMENT	481	496	15	REBUDGET - SCHED EQUIPMENT
10040402-51411		LANDSCAPE MANAGEMENT: SMALL SCHEDULED EQUIPMENT	7,229	33,181	25,952	REBUDGET - SCHED EQUIPMENT
10040410-51411		FACILITIES MAINTENANCE: SMALL SCHEDULED EQUIPMENT	14,843	16,741	1,898	REBUDGET - SCHED EQUIPMENT
10040420-51411		TOOL ROOM: SMALL SCHEDULED EQUIPMENT	13,676	94,122	80,446	REBUDGET - SCHED EQUIPMENT
10040440-51411		ENGINEERING: SMALL SCHEDULED EQUIPMENT	6,000	7,595	1,595	REBUDGET - SCHED EQUIPMENT
<b>Total Expenditures</b>			<b>56,100,410</b>	<b>56,241,913</b>	<b>141,503</b>	
<b>Ending Fund Balance (estimated)</b>			<b>17,495,410</b>	<b>17,495,410</b>	<b>-</b>	
 <b>INFORMATION TECHNOLOGY FUND (610)</b>						
<u>Expenditures</u>						
61010106-53440		IT: OTHER EQUIPMENT	28,062	41,517	13,455	EMAIL ARCHIVE HARDWARE
<b>Total Expenditures</b>			<b>1,380,326</b>	<b>1,393,781</b>	<b>13,455</b>	
<b>Ending Fund Balance (estimated)</b>			<b>56,227</b>	<b>42,772</b>	<b>(13,455)</b>	



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** September 15, 2025 Committee of the Whole  
**Subject:** An Ordinance Providing for the Issuance of Not to Exceed \$5,200,000 General Obligation Bonds, Series 2025

### Summary

#### *Action Requested*

Forward the Ordinance providing for issuance of general obligation bonds for the purpose of financing the reimbursement of an economic development incentive provided to the developer of Hotel Royer for approval at the September 22, 2025 City Council meeting.

#### *Brief Background*

This Ordinance seeks City Council approval to issue bonds for the purpose of financing the reimbursement of an economic development incentive provided to the developer of Hotel Royer. The \$5.2M amount is consistent with the Annual Budget.

### Relationship to City Services and Priorities

#### *Impact on Core Services*

The issuance of the bonds is not expected to impact the City's core services.

#### *Strategic Goals & Plans*

This action is consistent with the Mayor and Council 2024-2025 Goals, specifically [Strategic Area #4: Economic Health](#).

#### *Previous Council Actions*

- [Resolution 2019-05-012R](#) approved a letter of intent and interim agreement for redevelopment of the Hotel Royer with Marksons Affiliates, LLC.
- [Ordinance 2019-06-036](#) approved a redevelopment agreement with Marksons Affiliates, LLC to renovate and operate the hotel as a Tapestry Collection by Hilton brand property.
- [Ordinance 2020-10-055](#) approved an extension to the project start date from July 1, 2020 to July 1, 2021 and approved assignment of the agreement and Marksons Affiliates' interest in the hotel to Icon Hospitality, LLC.
- [Ordinance 2022-11-047](#) approved an extension to the project occupancy date from December 31, 2022 to August 31, 2023.

- [Ordinance 2023-07-022](#) approved an amendment to the redevelopment agreement extending the project occupancy date from August 31, 2023 to February 29, 2024.
- [Ordinance 2023-11-043](#) approved a tax upon the use and privilege of renting a boutique hotel room.
- [Ordinance 2024-02-014](#) approved an amendment to the redevelopment agreement extending the project occupancy date from February 29, 2024 to December 31, 2024 and reducing the amount of the City's redevelopment incentive by \$150,000 for every three month period or fraction thereof beyond which the Project Occupancy Date extends past the December 31, 2024 deadline.
- [Resolution No. 2025-05-035R](#) approved an Interfund Loan from the General Operating Fund to the Central Tax Increment Financing District Fund.

## Discussion

### *Additional Background Information*

The original redevelopment agreement for the former Landmark Hotel was passed in July 2019 between the City of Urbana and Marksons Affiliates, LLC. This agreement outlined the City's investment of \$5.5 million in the project via a bond issuance upon the developer obtaining the following:

- certificate of occupancy for the hotel and restaurant
- final approval for the property to be operated and maintained as a Hilton Tapestry Brand Hotel
- equity or permanent debt financing for the balance of the cost of the project

Since then, multiple amendments have been made to the redevelopment agreement, including a change in the developer. In April 2025, Icon Hospitality, LLC opened the Hotel Royer to the public. In June 2025, the City of Urbana issued a \$5.2 million development incentive payment, \$300,000 less than the amount specified in the original agreement due to the project's delayed completion.

Staff has been working with Chapman as bond counsel and Baird as placement agent for this bond issue. Bond counsel provides specialized legal services in relation to bond issuance. Chapman has determined that due to some of the terms in the original development agreement, the City cannot issue tax exempt bonds for this project. These bonds will be taxable. The placement agent markets the City's bonds to financial institutions who may purchase the bonds as an investment.

City staff invited financial institutions to participate in the City's EEO certification process, which is a prerequisite to bid on the City's bonds, prior to issuance of bonds for fire station construction. These institutions were identified based on previous contacts with City staff and Baird's expertise in the market for this type of debt. Three potential bidders were already certified. No other potential bidders were certified as a result of the invitation. Because of the lead time for certification, which is approximately one month, it would not be possible for bidders to certify after successfully bidding

on the bonds. While this process may limit competition, it ensures compliance with the City's requirements.

Institutions that have successfully completed the certification process will be invited to bid on the City's bonds. That process requires a quick turnaround to lock in interest rates due to potential changes in the market. This Ordinance gives authority to the Mayor and the Treasurer (Finance Director) to authorize the issuance of the bonds within certain parameters including a term of not more than ten (10) years and an interest rate of not more than 7 percent.

One bidder has indicated interest in a 9-year term only. To ensure competitive participation, staff will evaluate this option alongside other potential terms. A 9-year bond would require larger annual debt service payments annually; however, it would shorten the overall repayment period and reduce the City's long-term interest costs. Based on current market conditions, staff estimates that the 9-year option could save the City at least \$200,000 in total interest over the life of the bonds.

The Ordinance also establishes debt service levies, which will be abated in future years, as the City intends to pay debt service on these bonds using tax increment on the increased assessed value of the renovated property, as well as food and beverage taxes, hotel/motel taxes, and the new boutique hotel tax.

#### *Fiscal and Budget Impact*

Any necessary budget adjustments will be incorporated into the FY2027 budget based on the final debt service schedule. The costs of issuance are expected to include approximately \$25,000 in fees for bond counsel and the placement agent, along with any additional fees required by the successful bidder.

Following the bond issuance, the Interfund Loan from the General Operating Fund to the Central TIF District Fund will be repaid in full.

#### *Community Impact*

The new hotel is expected to attract additional visitors to Downtown Urbana and generate long-term revenues for the City.

#### *Recommendation*

Forward the Ordinance providing for issuance of general obligation bonds for the purpose of financing the reimbursement of an economic development incentive provided to the developer of Hotel Royer for approval at the September 22, 2025 City Council meeting.

#### *Next Steps*

The following is the anticipated schedule for the remainder of the process.

October 22	Human Rights Commission meets and certifies additional financial institutions
November 3	Baird distributes preliminary term sheet to certified institutions
November 10	Baird holds due diligence sessions with investors and City, if needed
November 19	Best and final offers submitted; Award bonds and execute final term sheet
November 24	City Council notified of outcome
December 11	Bond closing

**Attachments**

- 1. An Ordinance providing for the issuance of not to exceed \$5,200,000 General Obligation Bonds, Series 2025A, of the City of Urbana, Champaign County, Illinois, for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City (Hotel Royer).
- 2. Preliminary term sheet.

Originated by: Don Ho, Senior Financial Analyst / Budget Coordinator  
Reviewed: Elizabeth Hannan, HR & Finance Director / CFO  
              Matt Roeschley, City Attorney  
Approved: Darius White, City Administrator

## ORDINANCE NO. \_\_\_\_\_

**AN ORDINANCE PROVIDING FOR THE ISSUANCE OF NOT TO EXCEED \$5,200,000 TAXABLE GENERAL OBLIGATION BONDS, SERIES 2025A, OF THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS, FOR THE PURPOSE OF FINANCING THE REIMBURSEMENT OF AN ECONOMIC DEVELOPMENT INCENTIVE PROVIDED TO THE DEVELOPER OF A NEW HOTEL LOCATED IN THE CITY, PROVIDING FOR THE LEVY AND COLLECTION OF A DIRECT ANNUAL TAX SUFFICIENT TO PAY THE PRINCIPAL AND INTEREST ON SAID BONDS, AND AUTHORIZING THE SALE OF SAID BONDS TO THE PURCHASER THEREOF.**

**WHEREAS**, by virtue of its population and pursuant to the provisions of Section 6 of Article VII of the Constitution of the State of Illinois (the "*Constitution*"), the City of Urbana, Champaign County, Illinois (the "*City*"), is a home rule unit and may exercise any power or perform any function pertaining to its government and affairs including, but not limited to, the power to tax and to incur debt; and

**WHEREAS**, pursuant to the provisions of said Section 6, the City has the power to incur debt payable from ad valorem property tax receipts or from any other lawful source and maturing within 40 years from the time it is incurred without prior referendum approval; and

**WHEREAS**, the Council of the City (the "*Council*") has considered the needs of the City and has determined and does hereby determine that it is necessary, desirable and in the best interests of the City to borrow at this time the sum of not to exceed \$5,200,000 for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City (the "*Reimbursement*"); and

**WHEREAS**, it is in the best interests of the City to issue bonds of the City in the aggregate principal amount of not to exceed \$5,200,000 to evidence said borrowing and for the purpose of paying costs of the Reimbursement:

**NOW THEREFORE BE IT ORDAINED** by the Council of the City of Urbana, Champaign County, Illinois, in the exercise of its home rule powers, as follows:

Section 1. Incorporation of Preambles; Determination to Issue Bonds. The Council 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. It is necessary and in the best interests of the City to finance the Reimbursement, to pay all related costs and expenses incidental thereto, and to borrow money and issue bonds for such purpose. It is hereby found and

determined that such borrowing of money is necessary for the welfare of the government and affairs of the City, is for a proper public purpose or purposes and is in the public interest, and is authorized pursuant to the applicable provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”), as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Constitution, and as further supplemented by the Local Government Debt Reform Act, as amended (the “*Reform Act*”) (collectively, the Municipal Code, constitutional home rule powers, and Reform Act being the “*Act*”).

Section 2. Authorization. It is hereby found and determined that the Council has been authorized by law to borrow an amount not to exceed \$5,200,000 upon the credit of the City and as evidence of such indebtedness to issue bonds of the City in said amount, the proceeds of said bonds to be used for the Reimbursement, and that it is necessary and for the best interests of the City that there be issued not to exceed \$5,200,000 of the bonds so authorized, and the findings and determinations in this Section, together with those set forth in the preambles to this Ordinance, shall be deemed conclusive.

Section 3. Bond Details. There be borrowed by for and on behalf of the City an amount not to exceed \$5,200,000 for the purpose aforesaid, and that bonds of the City shall be issued to said amount and shall be designated “Taxable General Obligation Bonds, Series 2025A” (the “*Bonds*”), with any further series designation as shall be set forth in the Bond Notification (as hereinafter defined). The Bonds shall be dated such date (as set forth in the Bond Notification), and shall also bear the date of authentication, shall be in fully registered form, shall be in minimum denominations of \$100,000 each and integral multiples of \$5,000 in excess thereof unless otherwise set forth in the Bond Notification (but no single Bond shall represent installments of principal maturing on more than one date), and shall be numbered 1 and upward.

The Bonds shall become due and payable serially or be subject to mandatory redemption (subject to prior redemption as hereinafter described) on February 1 (unless otherwise set forth in the Bond Notification) of each of the years (not later than 2036), in the amounts (not exceeding \$775,000 per year) and bearing interest at the rates (not exceeding 7.00% per annum) as set forth in the Bond Notification.

The Bonds shall bear interest from their date or from the most recent interest payment date to which interest has been paid or duly provided for, until the principal amount of such Bonds is paid, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being

payable semi-annually commencing with the first interest payment date as set forth in the Bond Notification, and on February 1<sup>st</sup> and August 1<sup>st</sup> of each year thereafter to maturity.

Interest on each Bond shall be paid by check or draft of the bond registrar and paying agent (which shall be the Purchaser (as hereinafter defined), a bank or trust company authorized to do business in the State of Illinois or the Treasurer of the City (the “*Treasurer*”) as set forth in the Bond Notification, the “*Bond Registrar*”), payable upon presentation thereof in lawful money of the United States of America, to the person in whose name such Bond is registered at the close of business on the 15<sup>th</sup> day of the month next preceding the interest payment date. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the designated office of the Bond Registrar.

Section 4. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor (the “*Mayor*”) and attested by the manual or facsimile signature of its City Clerk (the “*City Clerk*”), as they shall determine, and shall have impressed or imprinted thereon the corporate seal or facsimile thereof of the City. In case any such officer whose signature shall appear on any Bond shall cease to be such officer before the delivery of such Bond, such signature shall nevertheless be valid and sufficient for all purposes, the same as if such officer had remained in office until delivery. All Bonds shall have thereon a certificate of authentication, substantially in the form hereinafter set forth, duly executed by the Bond Registrar as authenticating agent of the City and showing the date of authentication. No Bond shall 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 Bond Registrar by manual signature, and such certificate of authentication upon any such Bond shall be conclusive evidence that such Bond has been authenticated and delivered under this Ordinance. The certificate of authentication on any Bond shall be deemed to have been executed by it if signed by an authorized officer of the Bond Registrar, but it shall not be necessary that the same officer sign the certificate of authentication on all of the Bonds issued hereunder.

Section 5. Registration of Bonds; Persons Treated as Owners. (a) *General*. The City shall cause books (the “*Bond Register*”) for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the designated office of the Bond Registrar, which is hereby constituted and appointed the registrar of the City. The City is authorized to prepare, and the Bond Registrar shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds. Upon surrender for transfer of any Bond at the designated office of the Bond

Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer in form satisfactory to the Bond Registrar and duly executed by the registered owner or his or her attorney duly authorized in writing, the City shall execute and the Bond Registrar shall authenticate, date and deliver in the name of the transferee or transferees a new fully registered Bond or Bonds of the same maturity of authorized denominations, for a like aggregate principal amount. Any fully registered Bond or Bonds may be exchanged at said office of the Bond Registrar for a like aggregate principal amount of Bond or Bonds of the same maturity of authorized denominations. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of outstanding Bonds of each maturity authenticated by the Bond Registrar shall not exceed the authorized principal amount of Bonds for such maturity less previous retirements.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15<sup>th</sup> day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

The person in whose name any Bond 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 any Bond 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 such Bond to the extent of the sum or sums so paid.

No service charge shall be made for any transfer or exchange of Bonds, but the City or the Bond Registrar may require payment of a sum sufficient to cover any tax or other governmental charge that may be imposed in connection with any transfer or exchange of Bonds, except in the case of the issuance of a Bond or Bonds for the unredeemed portion of a Bond surrendered for redemption.

(b) *Global Book-Entry System.* The Bonds shall be initially issued in the form of a separate single fully registered Bond for each of the maturities of the Bonds determined as described in Section 3 hereof. If so requested by the Purchaser, upon initial issuance, the ownership of each such Bond shall be registered in the Bond Register in the name of Cede & Co., or any successor thereto ("*Cede*"), as nominee of The Depository Trust Company, New York, New York, and its successors

and assigns (“DTC”). All of the outstanding Bonds shall be registered in the Bond Register in the name of Cede, as nominee of DTC, except as hereinafter provided. Any officer of the City who is a signatory on the Bonds, along with the Treasurer, is authorized to execute and deliver, on behalf of the City, such letters to or agreements with DTC as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the “*Representation Letter*”), which Representation Letter may provide for the payment of principal of or interest on the Bonds by wire transfer.

With respect to Bonds registered in the Bond Register in the name of Cede, as nominee of DTC, the City and the Bond Registrar shall have no responsibility or obligation to any broker-dealer, bank or other financial institution for which DTC holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “*DTC Participant*”) or to any person on behalf of whom such a DTC Participant holds an interest in the Bonds. Without limiting the immediately preceding sentence, the City and the Bond Registrar shall have no responsibility or obligation with respect to (i) the accuracy of the records of DTC, Cede or any DTC Participant with respect to any ownership interest in the Bonds, (ii) the delivery to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any notice with respect to the Bonds, including any notice of redemption, or (iii) the payment to any DTC Participant or any other person, other than a registered owner of a Bond as shown in the Bond Register, of any amount with respect to the principal of or interest on the Bonds. The City and the Bond Registrar may treat and consider the person in whose name each Bond is registered in the Bond Register as the holder and absolute owner of such Bond for the purpose of payment of principal and interest with respect to such Bond, for the purpose of giving notices of redemption and other matters with respect to such Bond, for the purpose of registering transfers with respect to such Bond, and for all other purposes whatsoever. The Bond Registrar shall pay all principal of and interest on the Bonds only to or upon the order of the respective registered owners of the Bonds, as shown in the Bond Register, or their respective attorneys duly authorized in writing, and all such payments shall be valid and effective to fully satisfy and discharge the City’s obligations with respect to payment of the principal of and interest on the Bonds to the extent of the sum or sums so paid. No person other than a registered owner of a Bond as shown in the Bond Register, shall receive a Bond evidencing the obligation of the City to make payments of principal and interest with respect to any Bond. Upon delivery by DTC to the Bond Registrar of written notice to the effect that DTC has determined to substitute a new nominee in place of Cede,

and subject to the provisions in Section 3 hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the 15<sup>th</sup> day of the month next preceding the applicable interest payment date, the name “Cede” in this Ordinance shall refer to such new nominee of DTC.

In the event that (i) the City determines that DTC is incapable of discharging its responsibilities described herein and in the Representation Letter, (ii) the agreement among the City, the Bond Registrar and DTC evidenced by the Representation Letter shall be terminated for any reason, or (iii) the City determines that it is in the best interests of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify DTC and DTC Participants of the availability through DTC of certificated Bonds and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede, as nominee of DTC. At that time, the City may determine that the Bonds shall be registered in the name of and deposited with such other depository operating a universal book-entry system, as may be acceptable to the City, or such depository’s agent or designee, and if the City does not select such alternate universal book-entry system, then the Bonds may be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions of Section 5(a) hereof.

Notwithstanding any other provisions of this Ordinance to the contrary, so long as any Bond is registered in the name of Cede, as nominee of DTC, all payments with respect to principal of and interest on such Bond and all notices with respect to such Bond shall be made and given, respectively, in the name provided in the Representation Letter.

Section 6. Redemption. (a) *Optional Redemption.* All or a portion of the Bonds due on and after the date, if any, specified in the Bond Notification shall be subject to redemption prior to maturity at the option of the City from any available funds, as a whole or in part, and if in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all of the Bonds of a single maturity to be selected by the Bond Registrar), on the date specified in the Bond Notification, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption.

(b) *Mandatory Redemption.* The Bonds maturing on the date or dates, if any, indicated in the Bond Notification shall be subject to mandatory redemption, in integral multiples of \$5,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption

date, on February 1 of the years, if any, and in the principal amounts, if any, as indicated in said Bond Notification.

The principal amounts of Bonds to be mandatorily redeemed in each year may be reduced through the earlier optional redemption thereof, with any partial optional redemptions of such Bonds credited against future mandatory redemption requirements in such order of the mandatory redemption dates as the City may determine. In addition, on or prior to the 60th day preceding any mandatory redemption date, the Bond Registrar may, and if directed by the Council shall, purchase Bonds required to be retired on such mandatory redemption date. Any such Bonds so purchased shall be cancelled and the principal amount thereof shall be credited against the mandatory redemption required on such next mandatory redemption date.

(c) *General.* The Bonds shall be redeemed only in the principal amount of \$5,000 and integral multiples thereof. The City shall, at least forty-five (45) days prior to any optional redemption date (unless a shorter time period shall be satisfactory to the Bond Registrar) notify the Bond Registrar of such redemption date and of the principal amount, maturity or maturities of Bonds to be redeemed. For purposes of any redemption of less than all of the outstanding Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot by the Bond Registrar from the Bonds of such maturity by such method of lottery as the Bond Registrar shall deem fair and appropriate; *provided* that such lottery shall provide for the selection for redemption of Bonds or portions thereof so that any \$5,000 Bond or \$5,000 portion of a Bond shall be as likely to be called for redemption as any other such \$5,000 Bond or \$5,000 portion. The Bond Registrar shall make such selection upon the earlier of the irrevocable deposit of funds with an escrow agent sufficient to pay the redemption price of the Bonds to be redeemed or the time of the giving of official notice of redemption.

The Bond Registrar shall promptly notify the City in writing of the Bonds or portions of Bonds selected for redemption and, in the case of any Bond selected for partial redemption, the principal amount thereof to be redeemed.

Section 7. Redemption Procedure. Unless waived by any holder of Bonds to be redeemed, notice of the call for any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail at least thirty (30) days and not more than sixty (60) days prior to the date fixed for redemption to the registered owner of the Bond or Bonds to be redeemed at the address shown on the Bond Register or at such other address as is furnished in writing by such registered owner to the Bond Registrar.

All notices of redemption shall state:

- (1) the redemption date,
- (2) the redemption price,
- (3) if less than all outstanding Bonds are to be redeemed, the identification (and, in the case of partial redemption, the respective principal amounts) of the Bonds to be redeemed,
- (4) that on the redemption date the redemption price will become due and payable upon each such Bond or portion thereof called for redemption, and that interest thereon shall cease to accrue from and after said date,
- (5) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the designated office of the Bond Registrar, and
- (6) such other information then required by custom, practice or industry standard.

Unless moneys sufficient to pay the redemption price of the Bonds to be redeemed at the option of the City shall have been received by the Bond Registrar prior to the giving of such notice of redemption, such notice may, at the option of the City, state that said redemption shall be conditional upon the receipt of such moneys by the Bond Registrar on or prior to the date fixed for redemption. If such moneys are not received, such notice shall be of no force and effect, the City shall not redeem such Bonds, and the Bond Registrar shall give notice, in the same manner in which the notice of redemption shall have been given, that such moneys were not so received and that such Bonds will not be redeemed. Otherwise, prior to any redemption date, the City shall deposit with the Bond Registrar an amount of money sufficient to pay the redemption price of all the Bonds or portions of Bonds which are to be redeemed on that date.

Subject to the provisions for a conditional redemption described above, notice of redemption having been given as aforesaid, and notwithstanding the failure to receive such notice, the Bonds or portions of Bonds so to be redeemed shall, on the redemption date, become due and payable at the redemption price therein specified, and from and after such date (unless the City shall default in the payment of the redemption price) such Bonds or portions of Bonds shall cease to bear interest. Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Bond Registrar at the redemption price. Installments of interest due on or prior to the redemption date shall be payable as herein provided for payment of interest. Upon surrender

for any partial redemption of any Bond, there shall be prepared for the registered holder a new Bond or Bonds of the same maturity in the amount of the unpaid principal.

If any Bond or portion of Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid, bear interest from the redemption date at the rate borne by the Bond or portion of Bond so called for redemption. All Bonds which have been redeemed shall be cancelled and destroyed by the Bond Registrar and shall not be reissued.

Section 8. Form of Bond. The Bonds shall be in substantially the following form; *provided, however*, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then paragraph [2] and the legend, "See Reverse Side for Additional Provisions", shall be omitted and paragraph [6] and the paragraphs thereafter as shall be appropriate shall be inserted immediately after paragraph [1]:

[FORM OF BOND - FRONT SIDE]

REGISTERED  
NO. \_\_\_\_\_

REGISTERED  
\$ \_\_\_\_\_

**UNITED STATES OF AMERICA  
STATE OF ILLINOIS  
COUNTY OF CHAMPAIGN  
CITY OF URBANA**

**TAXABLE GENERAL OBLIGATION BOND, SERIES 2025A**

See Reverse Side for  
Additional Provisions.

Interest                      Maturity                      Dated  
Rate: \_\_\_\_\_%      Date: February 1, 2036      Date: \_\_\_\_\_, 2025      CUSIP: \_\_\_\_\_

Registered Owner:

Principal Amount:

[1]      KNOW ALL PERSONS BY THESE PRESENTS that the City of Urbana, Champaign County, Illinois, a municipality, home rule unit, and political subdivision of the State of Illinois (the “City”), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (subject to the right of prior redemption as hereinafter stated), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on February 1<sup>st</sup> and August 1<sup>st</sup> of each year, commencing August 1, 2026, until said Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the designated office of \_\_\_\_\_, as bond registrar and paying agent (the “Bond Registrar”). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by the Bond Registrar, at the close of business on the 15<sup>th</sup> day of the month next preceding the interest payment date. Interest shall be paid by check or draft of the Bond Registrar, payable upon presentation in lawful money of the United States of America, mailed to the address of such Registered Owner as it appears on such registration books, or at such other address furnished in writing by such Registered

Owner to the Bond Registrar. For the prompt payment of this Bond both principal and interest at maturity, the full faith, credit and resources of the City are hereby irrevocably pledged.

[2] Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

[3] It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, including the hereinafter defined Act, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.

[4] This Bond shall not be valid or become obligatory for any purpose until the certificate of authentication hereon shall have been signed by the Bond Registrar.

[5] IN WITNESS WHEREOF, the City of Urbana, Champaign County, Illinois, by its Council, has caused this Bond to be executed by the manual or duly authorized facsimile signature of its Mayor and attested by the manual or duly authorized facsimile signature of its City Clerk and its corporate seal or a facsimile thereof to be impressed or reproduced hereon, all as appearing hereon and as of the Dated Date identified above.

SPECIMEN

\_\_\_\_\_  
Mayor, City of Urbana  
Champaign County, Illinois

ATTEST:

SPECIMEN

\_\_\_\_\_  
City Clerk, City of Urbana  
Champaign County, Illinois

[SEAL]

Date of Authentication: \_\_\_\_\_, 2025

CERTIFICATE  
OF  
AUTHENTICATION

Bond Registrar and Paying Agent:  
\_\_\_\_\_,  
\_\_\_\_\_, Illinois

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the Taxable General Obligation Bonds, Series 2025A of the City of Urbana, Champaign County, Illinois.

\_\_\_\_\_,  
as Bond Registrar

By \_\_\_\_\_  
SPECIMEN  
Authorized Officer

[FORM OF BOND - REVERSE SIDE]

**CITY OF URBANA**

**CHAMPAIGN COUNTY, ILLINOIS**

**TAXABLE GENERAL OBLIGATION BOND, SERIES 2025A**

[6] This Bond is one of a series of bonds (the “*Bonds*”) issued by the City for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City, and paying expenses incidental thereto, all as described in the ordinance of the City, adopted by the Council of the City on the 22<sup>nd</sup> day of September, 2025, authorizing the Bonds, as supplemented by a notification of sale (the “*Ordinance*”), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as amended (the “*Municipal Code*”); as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970; and as further supplemented by the Local Government Debt Reform Act of the State of Illinois, as amended (the “*Reform Act*”) (collectively, the Municipal Code, constitutional home rule powers and Reform Act being the “*Act*”), and with the Ordinance, which has been duly approved by the Mayor, and published, in all respects as by law required.

[7] Bonds of the issue of which this Bond is one maturing on and after February 1, 20\_\_\_, are subject to redemption prior to maturity at the option of the City as a whole, or in part in integral multiples of \$5,000 in any order of their maturity as determined by the City (less than all the Bonds of a single maturity to be selected by lot by the Bond Registrar), on February 1, 20\_\_\_, and on any date thereafter, at the redemption price of par plus accrued interest to the redemption date.

[8] [Mandatory Redemption provisions, as applicable, will be inserted here.]

[9] Notice of any such redemption shall be sent by first class mail not less than thirty (30) days nor more than sixty (60) days prior to the date fixed for redemption to the registered owner of each Bond to be redeemed at the address shown on the registration books of the City maintained by the Bond Registrar or at such other address as is furnished in writing by such registered owner to the Bond Registrar. When so called for redemption, this Bond will cease to bear interest on the specified redemption date, provided funds for redemption are on deposit at the place of payment at that time, and shall not be deemed to be outstanding.

[10] This Bond is transferable by the Registered Owner hereof in person or by his or her attorney duly authorized in writing at the designated office of the Bond Registrar in \_\_\_\_\_, Illinois, but only in the manner, subject to the limitations and upon payment of the charges provided in the Ordinance, and upon surrender and cancellation of this Bond. Upon such transfer a new Bond or Bonds of authorized denominations of the same maturity and for the same aggregate principal amount will be issued to the transferee in exchange therefor.

[11] The Bonds are issued in fully registered form in minimum denominations of \$100,000 each and integral multiples of \$5,000 in excess thereof. This Bond may be exchanged at the designated office of the Bond Registrar for a like aggregate principal amount of Bonds of the same maturity of other authorized denominations, upon the terms set forth in the Ordinance. The Bond Registrar shall not be required to transfer or exchange any Bond during the period beginning at the close of business on the 15<sup>th</sup> day of the month next preceding any interest payment date on such Bond and ending at the opening of business on such interest payment date, nor to transfer or exchange any Bond after notice calling such Bond for redemption has been mailed, nor during a period of fifteen (15) days next preceding mailing of a notice of redemption of any Bonds.

[12] The City and the Bond Registrar may deem and treat the Registered Owner hereof as the absolute owner hereof for the purpose of receiving payment of or on account of principal hereof and interest due hereon and for all other purposes, and neither the City nor the Bond Registrar shall be affected by any notice to the contrary.

**ASSIGNMENT**

FOR VALUE RECEIVED, the undersigned sells, assign, and transfers unto \_\_\_\_\_

Here insert Social Security Number, Employer Identification Number or other Identifying Number

\_\_\_\_\_

(Name and Address of Assignee)  
the within Bond and does hereby irrevocably constitute and appoint \_\_\_\_\_

\_\_\_\_\_

as attorney to transfer the said Bond on the books kept for registration thereof with full power of substitution in the premises.

Dated: \_\_\_\_\_

Signature guaranteed: \_\_\_\_\_

NOTICE: The signature to this transfer and assignment must correspond with the name of the Registered Owner as it appears upon the face of the within Bond in every particular, without alteration or enlargement or any change whatever.

Section 9. Sale of Bonds. The Mayor and the Treasurer (the “*Designated Representatives*”) are hereby authorized to proceed not later than March 22, 2026, without any further authorization or direction from the Council, to sell the Bonds upon the terms as prescribed in this Ordinance. The Bonds hereby authorized shall be executed as in this Ordinance provided as soon after the delivery of the Bond Notification as may be, and thereupon be deposited with the Treasurer, and, after authentication thereof by the Bond Registrar, be by the Treasurer delivered to the purchaser thereof (the “*Purchaser*”), upon receipt of the purchase price therefor, the same being not less than 98.00% of the principal amount of the Bonds (exclusive of original issue premium or original issue discount), plus accrued interest to the date of delivery, if any.

The Purchaser of the Bonds shall be: (a) pursuant to a competitive sale conducted by Robert W. Baird & Co., Naperville, Illinois (“*Placement Agent*”), the best bidder for the respective Bonds; (b) in a negotiated underwriting, a bank or financial institution listed in the Dealers & Underwriters or Municipal Derivatives sections of the most recent edition of The Bond Buyer’s Municipal Marketplace; or (c) in a private placement, (i) a bank or financial institution authorized to do business in the State of Illinois, (ii) a governmental unit as defined in the Debt Reform Act or (iii) an “accredited investor” as defined in Rule 501 of Regulation D as promulgated under the Securities Act of 1933, as amended; *provided, however*, that a Purchaser as set forth in either (b) or (c) shall be selected only upon the recommendation of the Placement Agent that the sale of the respective Bonds on a negotiated or private placement basis to such Purchaser is in the best interest of the City because of (i) the pricing of such Bonds by such Purchaser, (ii) then current market conditions or (iii) the timing of the sale of such Bonds; and further provided, that a Purchaser as set forth in (c) may be selected through the utilization of a placement agent selected by the Designated Representatives after consultation with the Placement Agent if the use of such placement agent is determined by the Designated Representatives to be in the best interest of the City.

Prior to the sale of the Bonds, the Designated Representatives are each hereby authorized to approve and execute a commitment for the purchase of a Municipal Bond Insurance Policy (as hereinafter defined), to further secure the Bonds, as long as the present value of the fee to be paid for the Municipal Bond Insurance Policy (using as a discount rate the expected yield on the Bonds treating the fee paid as interest on the Bonds) is less than the present value of the interest reasonably expected to be saved on the Bonds over the term of the Bonds as a result of the Municipal Bond Insurance Policy.

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

Upon the sale of the Bonds, as evidenced by the execution and delivery of a Bond Notification by the Designated Representatives, the Mayor, City Clerk and Treasurer and any other officers of the City, as shall be appropriate, shall be and are hereby authorized and directed to approve or execute, or both, such documents of sale of the Bonds as may be necessary, including, without limitation, the contract for the sale of the Bonds between the City and the Purchaser (which may be evidenced by an executed bid form) (the “*Purchase Contract*”). Prior to the execution and delivery of the Purchase Contract, the Designated Representatives shall find and determine that to the best of the knowledge and belief of the Council, after due inquiry, no person holding any office of the City, either by election or appointment, is in any manner financially interested, either directly in his or her own name or indirectly in the name of any other person, association, trust or corporation, in the Purchase Contract.

The use by the City and the Purchaser of any Preliminary Official Statement and any final Official Statement relating to the Bonds (collectively, the “*Official Statement*”) is hereby ratified, approved and authorized; the execution and delivery of the Official Statement is hereby authorized; and the officers of the City are hereby authorized to take any action as may be required on the part of the City to consummate the transactions contemplated by any Purchase Contract, this Ordinance, any Preliminary Official Statement, and the Official Statement and the Bonds.

Section 10 Tax Levy; Abatement. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose; and there is hereby levied on all of the taxable property in the City, in addition to all other taxes, the following direct annual tax (the “*Pledged Taxes*”), to wit:

FOR THE YEAR                      A TAX SUFFICIENT TO PRODUCE THE SUM OF:

2025	\$825,000.00	for interest and principal
2026	\$825,000.00	for interest and principal
2027	\$825,000.00	for interest and principal
2028	\$825,000.00	for interest and principal
2029	\$825,000.00	for interest and principal
2030	\$825,000.00	for interest and principal
2031	\$825,000.00	for interest and principal
2032	\$825,000.00	for interest and principal
2033	\$825,000.00	for interest and principal
2034	\$825,000.00	for interest and principal

The Pledged Taxes and other moneys (excepting proceeds of the Bonds) on deposit (collectively, the “Bond Moneys”) in the Bond Fund (as hereinafter defined) shall be applied to pay principal of and interest on the Bonds as follows:

Bond Moneys shall be applied to the payment of interest when due and principal or redemption price when due at maturity.

Interest or principal coming due at any time when there are insufficient funds on hand from the Pledged Taxes to pay the same shall be paid promptly when due from current funds on hand in advance of the collection of the Pledged Taxes; and when the Pledged Taxes shall have been collected, reimbursement shall be made to said funds in the amount so advanced. The City covenants and agrees with the purchasers and registered owners of the Bonds that so long as any of the Bonds remain outstanding, the City will take no action or fail to take any action which in any way would adversely affect the ability of the City to levy and collect the foregoing tax levy. The City and its officers will comply with all present and future applicable laws in order to assure that the Pledged Taxes may be levied, extended and collected as provided herein and deposited into the Bond Fund.

Whenever other funds from any other lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the Pledged Taxes, the Council shall, by proper proceedings, direct the deposit of such funds into the Bond Fund and further shall direct the abatement of the taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk of the County of Champaign, Illinois (the “County Clerk”), in a timely manner to effect such abatement.

To the extent that the taxes levied above exceed the amount necessary to pay debt service on the Bonds as set forth in the Bond Notification, the Mayor, City Clerk and Treasurer are hereby authorized to direct the abatement of such taxes to the extent of the excess of such levy in each year over the amount necessary to pay debt service on the Bonds in the following bond year. Proper notice of such abatement shall be filed with the County Clerk in a timely manner to effect such abatement.

Section 11. Filing with County Clerk. Forthwith upon the passage of this Ordinance, the City Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk; and the County Clerk shall in and for each of the years 2025 to 2034, inclusive, ascertain the rate necessary to produce the tax herein levied; and the County Clerk shall extend the same for collection on the tax books in connection with other taxes levied in said years in and by the City for general corporate purposes of the City; and, subject to abatement as stated hereinabove, in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as taxes for general corporate purposes for said years are levied and collected, and in addition to and in excess of all other taxes, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Bond and Interest Fund Account of 2025A” (the “*Bond Fund*”), which taxes are hereby irrevocably pledged to and shall be used only for the purpose of paying the principal of and interest on the Bonds.

Section 12. Use of Bond Proceeds. The principal proceeds of the Bonds are hereby appropriated to pay the costs of issuance of the Bonds and for the purpose of paying the cost of the Reimbursement, and that portion thereof not needed to pay such costs of issuance is hereby ordered deposited into the Capital Improvement Account of the City (the “*Reimbursement Fund*”). Alternatively, the Treasurer may allocate such proceeds to one or more related Reimbursement funds of the City already in existence; *provided, however*, that this shall not relieve the Treasurer of the duty to account for the proceeds as herein provided. (Any such one or more funds shall also be referred to hereinafter, collectively, as the “*Reimbursement Fund*”.) At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Purchaser or the Bond Registrar on behalf of the City from the proceeds of the Bonds.

Section 13. List of Bondholders. The Bond Registrar shall maintain a list of the names and addresses of the holders of all Bonds and upon any transfer shall add the name and address of the new Bondholder and eliminate the name and address of the transferor Bondholder.

Section 14. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums have been deposited with the Bond Registrar to pay all principal and interest due thereon, or (c) for which sufficient U.S. funds and direct U.S. Treasury obligations have been deposited with the Bond Registrar or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Bond Moneys or Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the payment, registration, transfer, and exchange; are expressly continued for all Bonds whether outstanding Bonds or not.

Section 15. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk are authorized to execute the Bond Registrar's standard form of agreement between the City and the Bond Registrar with respect to the obligations and duties of the Bond Registrar hereunder which may include the following:

- (a) to act as bond registrar, authenticating agent, paying agent and transfer agent as provided herein;
- (b) to maintain a list of Bondholders as set forth herein and to furnish such list to the City upon request, but otherwise to keep such list confidential;
- (c) to give notice of redemption of the Bonds as provided herein;
- (d) to cancel and/or destroy Bonds which have been paid at maturity or submitted for exchange or transfer;
- (e) to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and
- (f) to furnish the City at least annually an audit confirmation of Bonds paid, Bonds outstanding and payments made with respect to interest on the Bonds.

Section 16. Continuing Disclosure Undertaking. If applicable, the Mayor or Treasurer is hereby authorized, empowered and directed to execute and deliver a Continuing Disclosure Undertaking (the "*Continuing Disclosure Undertaking*") in connection with the issuance of the Bonds, with such provisions therein as he or she shall approve, his or her execution thereof to constitute conclusive evidence of his or her approval of such provisions. When the Continuing Disclosure

Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding on the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 17. Municipal Bond Insurance. In the event the payment of principal and interest on any series of the Bonds is insured pursuant to a municipal bond insurance policy (the "*Municipal Bond Insurance Policy*") issued by a bond insurer (the "*Bond Insurer*"), and as long as such Municipal Bond Insurance Policy shall be in full force and effect, the City and the Bond Registrar agree to comply with such usual and reasonable provisions regarding presentment and payment of said Bonds, subrogation of the rights of said Bondholders to the Bond Insurer upon payment of said Bonds by the Bond Insurer, amendment hereof, or other terms, as approved by a Designated Representative on advice of counsel, his or her approval to constitute full and complete acceptance by the City of such terms and provisions under authority of this Section.

Section 18. Record-Keeping Policy and Post-Issuance Compliance Matters. The Council has previously adopted a record-keeping policy (the "*Policy*") to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds and other debt obligations of the City. The Council and the City hereby reaffirm the Policy.

Section 19. Publication of Ordinance. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the Council.

Section 20. This Ordinance a Contract. The provisions of this Ordinance shall constitute a contract between the City and the registered owners of the Bonds, and no changes, additions or alterations of any kind shall be made hereto, except as herein provided.

Section 21. Severability. If any section, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity of such section, paragraph, clause or provision shall not affect any of the other provisions of this Ordinance.

Section 22. 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, approval, and publication.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_\_ day of September, 2025.

AYES:

NAYS:

ABSTENTIONS:

\_\_\_\_\_  
Darcy E. Sandefur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_\_ day of September, 2025.

\_\_\_\_\_  
DeShawn B. Williams, Mayor

Recorded in the City Records on September \_\_\_\_, 2025.

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 City Clerk of the City of Urbana, Champaign County, Illinois (the "City"), and as such official I am the keeper of the records and files of the Council of the City (the "Council").

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the Council held on the 22<sup>nd</sup> day of September, 2025, insofar as same relates to the adoption of Ordinance No. \_\_\_\_\_ titled:

AN ORDINANCE providing for the issuance of not to exceed \$5,200,000 Taxable General Obligation Bonds, Series 2025A, of the City of Urbana, Champaign County, Illinois, for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds 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 Council 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 Council at least 72 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 72-hour period preceding said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, a true, correct and complete copy of the agenda as so posted being attached hereto as *Exhibit A*, that said meeting was called and held in strict compliance with the provisions the Open Meetings Act of the State of Illinois, as amended, and with the provisions of the Illinois Municipal Code, as amended, and that the Council has complied with all of the applicable provisions of said Act and said Code and its procedural rules in the adoption of said ordinance.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the City, this 22<sup>nd</sup> day of September, 2025.

---

City Clerk

[SEAL]

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF CHAMPAIGN    )

**FILING CERTIFICATE**

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of The County of Champaign, Illinois, and as such official I do further certify that on the [\_\_] day of September, 2025, there was filed in my office a duly certified copy of Ordinance No. \_\_\_\_\_ titled:

AN ORDINANCE providing for the issuance of not to exceed \$5,200,000 Taxable General Obligation Bonds, Series 2025A, of the City of Urbana, Champaign County, Illinois, for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

duly adopted by the Council of the City of Urbana, Champaign County, Illinois, on the 22<sup>nd</sup> day of September, 2025, and approved by the Mayor, and that the same has been deposited in (and all as appearing from) the official files and records of my office.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of said County, this \_\_\_\_ day of \_\_\_\_\_, 2025.

\_\_\_\_\_  
County Clerk of The County of Champaign,  
Illinois

[SEAL]

STATE OF ILLINOIS            )  
  ) SS  
COUNTY OF CHAMPAIGN    )

**CERTIFICATE OF PUBLICATION IN PAMPHLET FORM**

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Urbana, Champaign County, Illinois (the “City”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the City and of the Council (the “Council”) of the City.

I do further certify that on the [\_\_\_] day of September, 2025 there was published in pamphlet form, by authority of the Council, a true, correct, and complete copy of Ordinance No. \_\_\_\_\_ of the City titled:

AN ORDINANCE providing for the issuance of not to exceed \$5,200,000 Taxable General Obligation Bonds, Series 2025A, of the City of Urbana, Champaign County, Illinois, for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City, providing for the levy and collection of a direct annual tax sufficient to pay the principal and interest on said bonds, and authorizing the sale of said bonds to the purchaser thereof.

and providing for the issuance of said bonds, and that the ordinance as so published was on that date readily available for public inspection and distribution, in sufficient number so as to meet the needs of the general public, at my office as City Clerk located in the City.

IN WITNESS WHEREOF, I have affixed hereto my official signature and the seal of the City this 22<sup>nd</sup> day of September, 2025.

\_\_\_\_\_  
City Clerk

[SEAL]

No Official Statement will be prepared for the Bonds. By the Purchaser’s acceptance of the Bonds, the Purchaser shall be deemed to have had access to such financial and other information concerning the City and the Bonds as the Purchaser deemed necessary to make an independent decision to purchase the Bonds, including the opportunity, at a reasonable time prior to the purchase of the Bonds, to ask questions and receive answers concerning the City and the terms and conditions of the Bonds.

**Preliminary Term Sheet**

City of Urbana,  
Champaign County, Illinois (the “City”)

\$5,200,000\* Taxable General Obligation Bonds, Series 2025A (the “Bonds”)



**Bid Due Date/Time:** November 19, 2025 @ 11:00 AM Central. Rates must not be subject to change through the closing of December 11, 2025.

**Award Date:** November 19, 2025 (anticipated)

**Dated/Delivery Date:** December 11, 2025 (anticipated)

<b>Amortization:</b>	February 1	Amount*
	2027	\$380,000
	2028	440,000
	2029	460,000
	2030	480,000
	2031	505,000
	2032	530,000
	2033	560,000
	2034	585,000
	2035	615,000
	2036	645,000

If your bank requires a shorter amortization or average life, please so state in your offer along with the proposed interest rate(s). The City will evaluate the cost/benefit of each offer and its corresponding term before making a selection.

**Average Life\*:** 6.072 years

**Purchaser:** To Be Determined

**Purchase Price:** At Par

**Interest Due:** Interest shall be payable commencing on August 1, 2026 and semi-annually thereafter on February 1 and August 1 of each year. Interest on the Bonds will be computed on the basis of a 360-day year of twelve 30-day months.

**Denomination:** The Bonds will be issued in minimum denominations of \$100,000 and integral multiples of \$5,000 thereof.

**Optional Redemption Provision:** Please provide your proposed interest rates for each of the following optional redemption provisions:

1. The Bonds maturing on and after February 1, 2034 shall be subject to redemption prior to maturity at the option of the City from any available funds on February 1, 2033 or on any date thereafter at par plus accrued interest.
2. The Bonds are not subject to redemption prior to maturity.

If you would like to propose an alternative optional redemption provision, please so state in your offer along with any change in interest rate(s). The City will evaluate the cost/benefit of each offer and its corresponding optional redemption provision before making a selection.

**Mandatory Redemption:** All or a portion of the Bonds may be subject to mandatory redemption on February 1 of the years, if any, and in the principal amounts, if any, as shown above.

**Purpose:** Proceeds from the sale of the Bonds will be used for the purpose of financing the reimbursement of an economic development incentive provided to the developer of a new hotel located in the City and ancillary costs related thereto.

\*Preliminary, subject to change.

**Authorization:** The Bonds are being issued pursuant to the powers of the City as a home rule unit of government under Section 6 of Article VII of the Constitution of the State of Illinois, the Illinois Municipal Code and the Local Government Debt Reform Act of the State of Illinois, each as supplemented and amended, and a bond ordinance adopted by the City Council of the City on September 22, 2025, as supplemented by a notification of sale.

**Security:** In the opinion of Bond Counsel, Chapman and Cutler LLP, Chicago, Illinois, the Bonds are valid and legally binding upon the City and are payable from any funds of the City legally available for such purpose, and all taxable property in the City is subject to the levy of taxes to pay the same without limitation as to rate or amount, except that the rights of the owners of the Bonds and the enforceability of the Bonds may be limited by bankruptcy, insolvency, moratorium, reorganization and other similar laws affecting creditors' rights and by equitable principles, whether considered at law or in equity, including the exercise of judicial discretion.

**Taxable Bonds:** In the opinion of Bond Counsel, under present law, interest on the Bonds is includible in gross income of the owners thereof for federal income tax purposes. Interest on the Bonds is not exempt from present State of Illinois income taxes.

**Legal Opinion:** Bond Counsel will provide an opinion as to the validity of the Bonds. See "Exhibit B—Form of Bond Counsel Opinion."

**Credit Rating:** No rating will be applied for in connection with the Bonds.

**No Secondary Market:** The Bonds must be purchased with the intent to hold to maturity as no secondary market is expected.

Rule 15c2-12 promulgated under the Securities Exchange Act of 1934, as amended (the "Rule"), exempts from certain requirements of the Rule offerings of municipal securities (such as the Bonds) that are (i) in authorized denominations of \$100,000 or more and (ii) are sold to no more than thirty-five persons each of whom has such knowledge and experience in financial and business matters that it is capable of evaluating the merits and risks of the prospective investment and is not purchasing for more than one account or with a view to distributing the Bonds. Because the offering of the Bonds is exempt under the Rule, the City is not required to enter into a continuing disclosure undertaking with respect to the Bonds and is also not required to deliver an official statement to a purchaser nor to provide statements concerning noncompliance, in all material respects, with the City's prior continuing disclosure undertakings. Finally, the Purchaser should note that the disclosure contained herein is limited in scope and does not include information customarily contained in official statements subject to the Rule.

**Record Date:** The fifteenth day of the calendar month next preceding the interest payment date.

**Registered or Book-Entry:** The Bonds will be registered in the name of the Purchaser unless otherwise requested by the Purchaser.

**Bond Counsel:** Chapman and Cutler LLP, Chicago, Illinois.

**Placement Agent:** Robert W. Baird & Co. Incorporated, Naperville, Illinois.

**Bond Registrar/Paying Agent:** Please state your willingness to serve as bond registrar and paying agent on the Bonds at no additional cost to the City.

**Representations of the Purchaser:** The Purchaser will be required to execute an investor letter in substantially the form attached hereto as Exhibit C in which they will be expected to certify to the City that it (i) is acquiring the Bonds for its own account solely for investment purposes and not with a view to any distribution of any Bond or any interest therein or portion thereof or with any present intention of distributing or selling any Bond or any interest therein or portion thereof and (ii) has knowledge and experience in financial and business matters, including the acquisition and holding of tax-exempt obligations, that it is capable of evaluating the merits and risks of purchasing the Bonds and is able to bear such risks.

**Acknowledgment that the Purchaser is not a Fiduciary, etc.:** The City acknowledges and agrees that the: (i) Purchaser has financial and other interests that differ from those of the City, (ii) Purchaser is not acting as a municipal advisor, financial advisor or fiduciary to the City and has not assumed any advisory or fiduciary responsibility to the City with respect to the transaction contemplated hereby and the discussions, undertakings and proceedings leading thereto (irrespective of whether the Purchaser has provided other services or is currently providing other services to the City on other matters), and (iii) City has consulted its own legal, accounting, tax, financial and other advisors, as applicable, to the extent it has deemed appropriate in connection with the transaction contemplated herein.

**Expenses:** The City will pay for all necessary expenses in connection with the issuance of the Bonds, including legal and placement agent fees. **If there will be a Purchaser’s Counsel fee, please state the amount in your offer.** This will be considered when evaluating the bids received.

**Additional Provisions:** Please note any proposed additional provisions.

**Financial Characteristics of the City:** See “Exhibit A—Information on the City of Urbana” for information on the City’s overlapping taxing entities, outstanding debt, overlapping debt, selected financial information, largest taxpayers, equalized assessed valuation, and tax rates by purpose.

**City Financial Information:** Historical Audited Financial Statements for the City can be found here on the City’s website: <https://www.urbanail.gov/hr-and-finance-department/page/annual-comprehensive-financial-report>

- Attachments:**
- Exhibit A – Information on the City of Urbana
  - Exhibit B – Form of Bond Counsel Opinion
  - Exhibit C – Form of Investor Letter
  - Exhibit D – Annual Comprehensive Financial Report for Fiscal Year June 30, 2024

## Exhibit A

### Information on the City of Urbana

#### Summary of Outstanding Debt

The City will have the following outstanding general obligation debt after the issuance of the Bonds.

#### Amortization of Outstanding General Obligation Debt <sup>(1)</sup>

Bond Year February 1	2025	The	Cumulative Retirement*	
	Bonds	Bonds*	Amount*	Percent*
2026	\$830,000		\$830,000	5.8%
2027	775,000	380,000	1,155,000	14.0%
2028	805,000	440,000	1,245,000	22.7%
2029	835,000	460,000	1,295,000	31.9%
2030	870,000	480,000	1,350,000	41.4%
2031	905,000	505,000	1,410,000	51.3%
2032	940,000	530,000	1,470,000	61.7%
2033	975,000	560,000	1,535,000	72.5%
2034	1,015,000	585,000	1,600,000	83.7%
2035	1,050,000	615,000	1,665,000	95.5%
2036		645,000	645,000	100.0%
Total	<u>\$9,000,000</u>	<u>\$5,200,000</u>	<u>\$14,200,000</u>	

<sup>(1)</sup> As of the dated date of the Bonds.

\* Preliminary, subject to change.

Source: The City.

#### Legal Debt Margin

The City is a home rule municipality under Article VII, Section 6(k) of the 1970 Illinois Constitution and has no general obligation debt limitation.

#### Overlapping Debt

(As of June 30, 2024)

Taxing Body	Outstanding Bonds	Applicable to City	
		Percent	Amount
Champaign County	\$43,555,000	14.018%	\$ 6,105,540
Forest Preserve District	-	13.898%	-
School District	26,695,000	86.046%	22,969,980
Parkland College	35,015,349	10.216%	3,577,168
Urbana Park District	13,801,525	99.464%	13,727,549
Champaign-Urbana Health District	-	24.726%	-
Champaign-Urbana Mass Transit District	185,604	22.023%	40,876
Total Overlapping Bonded Debt	<u>\$119,252,478</u>		<u>\$46,421,112</u>

Source: City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024.

**EAV by Use**

The following table sets forth the City's EAV by class of property for the last five levy years.

**Equalized Assessed Valuation by Class of Property<sup>(1)</sup>**

Classification	2020	2021	2022	2023	2024
Residential.....	\$340,021,344	\$359,714,649	\$394,979,368	\$435,798,762	\$483,413,568
Farm.....	710,151	882,971	949,435	953,822	1,359,161
Commercial.....	253,079,340	251,687,884	283,763,751	300,078,053	328,210,808
Industrial.....	11,363,990	11,861,384	13,533,406	14,591,774	16,926,024
Railroad.....	190,995	214,325	246,294	255,199	229,978
Total.....	<u>\$605,365,820</u>	<u>\$624,361,213</u>	<u>\$693,472,254</u>	<u>\$751,677,610</u>	<u>\$830,139,539</u>
Percent Change +(-)	1.41%	3.14%	11.07%	8.39%	10.44%

<sup>(1)</sup> Excludes TIF increment.

<sup>(2)</sup> Based on the City's 2019 EAV of \$596,954,779.

Source: Champaign County Clerk's Office.

**Breakdown of City's Tax Rates**

The following table shows the tax rates levied by the City per \$100 of Equalized Assessed Valuation on property located in the City for the past five levy years.

**City Tax Rates by Purpose Per \$100 of Equalized Assessed Valuation**

	2020	2021	2022	2023	2024
General	\$0.2301	\$0.1696	\$0.2990	\$0.2876	\$0.3402
Bonds	0.0000	0.0000	0.0000	0.0000	0.0000
Fire Pension	0.2130	0.2179	0.1360	0.1760	0.1602
Police Pension	0.3261	0.3691	0.3497	0.3403	0.3233
Library	<u>0.5807</u>	<u>0.5933</u>	<u>0.5652</u>	<u>0.5460</u>	<u>0.5262</u>
Total City Tax Rate	<u>\$1.3499</u>	<u>\$1.3499</u>	<u>\$1.3499</u>	<u>\$1.3499</u>	<u>\$1.3499</u>

Source: Champaign County Clerk's Office.

**Representative Tax Rates**

A representative property owner living in the City had combined tax rates per \$100 of Equalized Assessed Valuation for the past five tax levy years as set forth below.

**Representative Tax Rates per \$100 Equalized Assessed Valuation**

	Levy Years				
	2020	2021	2022	2023	2024
City of Urbana.....	\$ 1.3499	\$ 1.3499	\$ 1.3499	\$ 1.3499	\$ 1.3499
School District.....	5.8771	5.9026	5.9204	5.7959	5.5948
Champaign County.....	0.8327	0.8342	0.8355	0.8189	0.7890
Park District.....	1.2705	1.2784	1.2877	1.2630	1.2132
Parkland College.....	0.5405	0.5378	0.5353	0.5284	0.5192
Mass Transit.....	0.3428	0.3466	0.3504	0.3450	0.3335
Cunningham Town.....	0.3015	0.3043	0.3037	0.2995	0.2873
Public Health.....	0.1327	0.1338	0.1340	0.1317	0.1267
Forest Preserve.....	<u>0.1089</u>	<u>0.1073</u>	<u>0.1071</u>	<u>0.1047</u>	<u>0.1005</u>
Total Rate.....	<u>\$10.7566</u>	<u>\$10.7949</u>	<u>\$10.8240</u>	<u>\$10.6370</u>	<u>\$10.3141</u>

Source: City's Annual Comprehensive Financial Report for the fiscal year ended June 30, 2024 and Champaign County Clerk's Office.

**Tax Extensions and Collections**

The following table sets forth the City's tax levy and collections for the last five fiscal years and collections to date for the most recent fiscal year.

**Tax Levy and Collections**

Levy Year	Fiscal Year	Taxes Extended	Taxes Collected to Date	Percent Collected
2019	2021	\$8,058,293	\$7,991,850	99.2%
2020	2022	8,171,833	8,073,628	98.8%
2021	2023	8,428,251	8,348,114	99.0%
2022	2024	9,361,181	9,273,849	99.1%
2023	2025	10,146,896	10,032,134	98.9%
2024	2026 <sup>(1)</sup>	11,206,053	5,669,374	50.6%

<sup>(1)</sup> Collections are through June 30, 2025.  
Source: The City.

**Top Taxpayers**

The top ten taxpayers of the City and 2024 EAV are as follows:

**Principal Taxpayers**

Taxpayer	2024 EAV	Percent of City's Total EAV
Urbana Illinois Propco LLC	\$19,333,330	2.24%
Clark-Lindsey Holdings, LLC	11,641,880	1.35%
HRA CC Urbana Owner, LLC	11,248,600	1.31%
MF Town & Country LLC & MF Urbana PC LLC	10,741,750	1.25%
Deancurt Urbana LLC	9,861,600	1.14%
Retreat at Urbana LLC	8,999,100	1.04%
Urbana Parc II LLC	8,146,520	0.95%
Green Street Realty	6,509,730	0.76%
Supervalu INC	6,438,630	0.75%
Amber Apartments LLC	<u>5,189,200</u>	<u>0.60%</u>
Total	\$98,110,340	11.39%

<sup>(1)</sup> Based on the City's 2024 EAV of \$861,620,973, which includes TIF EAV of \$31,481,434.  
Source: Champaign County Clerk's Office.

**Exhibit B**

**Form of Bond Counsel Opinion**

**Exhibit C**

**Form of Investor Letter**

**Exhibit D**

**Annual Comprehensive Financial Report for Fiscal Year June 30, 2024**



City of Urbana  
400 S. Vine Street, Urbana, IL 61801  
www.UrbanaIL.gov

**MEMORANDUM FROM THE OFFICE OF THE MAYOR  
TO THE URBANA CITY COUNCIL**

**Meeting:** September 22, 2025, Council Meeting  
**Subject:** Board and Commission Appointments

**Summary**

*Action Requested*

City Council is asked to approve the appointment of Kevin Murphy and Sara Rand to the Bicycle and Pedestrian Advisory Commission for terms ending June 30, 2028.

*Brief Background*

Kevin has lived in Urbana for four years and currently teaches eighth-grade social studies at Urbana Middle School. He also works part-time for the Urbana Park District, where he serves on the teen programming staff, supervises at the SPLASH afterschool program, and contributes to the Environmental Education team. Kevin will serve as the Urbana School District representative on the Commission.

***“I am an avid cyclist and bike commuter in all conditions so have appreciated how bike-friendly Urbana is and would like to work to improve and maintain our pedestrian and bike safety infrastructure in Urbana. As a teacher, I also care deeply about the ability for my students to arrive to school safely if they are walking or biking to school.”***

Sara has lived in Urbana for 10 years and currently serves on the Urbana Park District Advisory Committee as well as the Amasong Choir Board. She holds a bachelor’s degree in Forensic Investigations and is a board-certified death investigator and autopsy technician. Sara also volunteers at Sola Gratia Farm.

***“I struggle daily to navigate the extremely poor conditions of the sidewalks and curb cuts in my neighborhood. My wife is an ebike rider. I want to help provide perspective to UPW and the city so others with disabilities can be independent and not struggle the way I do. I have been serving Champaign County for 10 years, and despite my seriously debilitating disease, I want a better Urbana for ALL residents, including those who would like to independently navigate Urbana with mobility devices.”***

## **Relationship to City Services and Priorities**

### *Impact on Core Services*

City of Urbana Board and Commission members play a crucial role in helping City leaders address specific issues, offering professional expertise, involving the community in decision-making, and connecting residents, City staff, and Council.

The Bicycle and Pedestrian Advisory Commission advises the City Council on how to make bicycling and walking viable modes of transportation in the City of Urbana.

*Strategic Goals & Plans* N/A

*Previous Council Actions* N/A

## **Discussion**

### *Recommendation*

City Council is asked to approve the appointment of Kevin Murphy to the Bicycle and Pedestrian Advisory Commission for a term ending June 30, 2028.

### *Next Steps*

If approved, the Office of the Mayor will notify Kevin Murphy of his appointment as a Commission member and of Open Meetings Act requirements.

Originated by: Mindy Hewkin, Administrative Assistant

Reviewed: DeShawn Williams, Mayor

Approved: Darius White, City Administrator

Department	Database or Tool	Owner or Vendor	Purpose
CD	Third-party data analysis from cellphone usage	Placer.ai	Placer uses anonymized cell data, and only uses location data provided by apps that people have opted into allowing (i.e. individuals have opted in to allow location services for the app). That seems to exclude Placer from Definition 1, 4.a.8, which describes GPS data collection <i>without authorization</i> .
UFD	Drones (never operationalized)	Urbana Fire Department	Our drone program was never actually operational. The intent was to use these at large scale incidents for a higher-level view of the entire incident and better point of vantage to see the progression of the incident, training, size ups, and search and rescue operations. We are also interested in a drone first responder program that could allow us to see incidents before the arrival of our apparatus which could potentially help us reduce our response package.
PW	Miovision	Miovision	Traffic data for intersection and corridor studies.
PW	Streetlight	Hanson (consultant)	GPS data from cell phones, connected vehicles, and other data sources for traffic movements, traffic volumes, and speed traveled. Presumably de-identified.
PW	City of Urbana asset tracking technology	OpenGov Enterprise Asset Management	GPS tracking (vehicles, phones, tablets, etc.).
PW	Contract recycling technology	GFL Environmental Inc.	Contractor utilizes technology that tracks their location and street view to eliminate discrepancies between calls for missed services versus failure of users to place cans out timely.
PW	Third-party data analysis from cellphone usage	For example, Placer.ai	GPS data for traffic information (includes Placer.ai)
PW	Drone footage	CUMTD	Typically used for community promotion and/or marketing pre/post conditions related to capital improvement projects. CUMTD has a drone and has provided assistance with this on projects like Florida Avenue (for RAISE grant), Fire Stations, PW Campus Rehab, as well as the Market at the Square Parking Lot Mural.
HR/F	Third-party administrators of worker's compensation cases	Contracted by a third party	Related to workers comp cases. This could be used in a workers comp proceeding, which would fall under the "criminal and civil action" category. Generally this is done mostly through observation by an investigator, not using specific surveillance technology.
IT	Outlook (electronic mail and calendar)	Microsoft, Intradyn, Barracuda	1) I would argue anyone emailing a City official or employee does not have a reasonable expectation of privacy in that communication. 2) We are required by law to inventory and retain email communications to comply with record keeping requirements [and FOIA]. I agree that including email in "manually operated" seems unusual.
IT	Cybersecurity tools	Microsoft, Barracuda, Blueshift, Cloudflare (State of IL DoIT), Duo, Okta	"Cybersecurity software is designed to protect digital systems and data from unauthorized access, malicious attacks, ransomware, and theft. Its purpose is to safeguard sensitive information, ensure continuity, and maintain trust." IT is concerned about moving "decisions about sensitive and high-risk subject matter one additional degree of separation from the subject matter experts".
UPD	ARCOS (Automation of Reports and Consolidated Orders System)	DEA	Tracks distribution of controlled substances from manufacturers to distributors.
UPD	ASEANAPOL Database	ASEANAPOL	Facilitates intelligence sharing among ASEAN police forces.
UPD	ATF E-Trace	Bureau of Alcohol, Tobacco, Firearms and Explosives (ATF)	Traces firearms recovered in crimes to their source.
UPD	ATS (Automated Targeting System)	Department of Homeland Security (DHS)	Analyzes risk and targets in customs and border protection.
UPD	ByteDance	ByteDance Inc.	Parent company of TikTok; may be listed due to data privacy concerns.
UPD	CA-PPT (Consular Affairs Passport Database)	U.S. Department of State	Manages passport application and issuance records.
UPD	CCD (Consular Consolidated Database)	U.S. Department of State	Consolidates visa and passport information for U.S. citizens and foreign nationals.
UPD	CLEAR (by Thomson Reuters)	Thomson Reuters	Investigative database providing public records and analytics.
UPD	CODIS (Combined DNA Index System)	FBI	Links DNA profiles from crime scenes and offenders.
UPD	Carfax for Police	Carfax Inc.	Provides vehicle history reports and investigative data to police.
UPD	Champaign County Warrants Database	Champaign County	Tracks active warrants issued in Champaign County.
UPD	Concealed Carry License Database	Illinois State Police	Stores data on licensed concealed carry holders in Illinois.
UPD	Cook County Government	Cook County	County government entity; may manage legal and corrections systems.
UPD	Cook County Integrated Criminal Justice Information System	Cook County	Platform for court and criminal justice data integration.
UPD	CrowdTangle	Facebook (Meta)	Tracks engagement and content performance on social media.
UPD	Dataminr	Dataminr Inc.	Real-time alerting and social media signal monitoring platform.
UPD	DepartmentWare	City of Urbana	City employee/department management and workflow system.
UPD	DHS (Department of Homeland Security)	U.S. Department of Homeland Security	Federal agency overseeing national security and immigration enforcement.
UPD	DuckDuckGo	DuckDuckGo Inc.	Privacy-focused search engine; may be monitored by surveillance tools.
UPD	El Paso Intelligence Center (EPIC)	DEA	Fusion center coordinating federal, state, and local intelligence sharing.
UPD	Envisage Technologies	Envisage Technologies	Training and compliance software vendor for public safety agencies.

UPD	European Union	European Union	Intergovernmental body; EU partner in criminal justice cooperation.
UPD	Europol Information System (EIS)	Europol	Database for sharing intelligence among European law enforcement.
UPD	Facebook	Meta Platforms, Inc.	Social media platform used for open-source investigations.
UPD	Geofeedia	Geofeedia Inc.	Social media analytics tool for geolocation and trend tracking.
UPD	Google	Google LLC	Search engine often used in investigations and intel gathering.
UPD	HSIN (Homeland Security Information Network)	Department of Homeland Security (DHS)	Secure information-sharing system for homeland security.
UPD	IAFIS (Integrated Automated Fingerprint Identification System)	FBI	Centralized fingerprint identification system.
UPD	ICJIA Data Portal	Illinois Criminal Justice Information Authority (ICJIA)	State-level criminal justice data and research platform.
UPD	IDENT (Automated Biometric Identification System)	Department of Homeland Security (DHS)	Biometric identification system for DHS.
UPD	IDCore	IDI, Inc.	Investigative data provider offering public record analysis.
UPD	Illinois Amber Alert System	Illinois State Police	Search for state prison inmates and case info.
UPD	Illinois Department of Corrections Inmate Search	IDOC	Ticket issuance and tracking system for law enforcement.
UPD	Illinois eCitation Program	Illinois State Police	Terrorism intelligence and information-sharing hub in Illinois.
UPD	Illinois Statewide Terrorism and Intelligence Center (STIC)	Illinois State Police	Notifies victims about status changes in criminal cases.
UPD	Illinois Automated Victim Notification System (AVN)	Illinois Attorney General / IDOC	Image and video-sharing platform monitored in investigations.
UPD	Instagram	Meta Platforms, Inc.	Social media platform used for open-source investigations.
UPD	Interpol 24/7	Interpol	Illinois' centralized law enforcement data system.
UPD	LEADS (Law Enforcement Agencies Data System)	Illinois State Police	Public records search tool used in investigations.
UPD	LexisNexis Accurint	LexisNexis Risk Solutions	Professional networking platform with OSINT uses.
UPD	LinkedIn	Microsoft	Social media platform used for open-source investigations.
UPD	Lost and Stolen Passport Database	U.S. Department of State	Identifies missing and unidentified persons.
UPD	NamUs (National Missing and Unidentified Persons System)	U.S. Department of Justice / NIJ	Narcotics and drug trafficking investigations database.
UPD	NADDIS (Narcotics and Dangerous Drugs Information System)	DEA	Nationwide criminal history and warrant database.
UPD	NCIC (National Crime Information Center)	FBI	Ballistics imaging to link firearms to crimes.
UPD	NIBIN (National Integrated Ballistic Information Network)	ATF	Tracks detailed data on criminal incidents.
UPD	NIBRS (National Incident-Based Reporting System)	FBI	Shares crime-related data between jurisdictions.
UPD	N-DEx (National Data Exchange)	FBI	License plate and violation analytics system (unclear source).
UPD	Platelogix	Possibly PlateLogix Inc.	Tracks persons of interest across EU member states.
UPD	Schengen Information System (SIS)	European Union / Schengen States	Manages foreign students and visa holders in U.S.
UPD	SEVIS (Student and Exchange Visitor Information System)	U.S. Department of Homeland Security (DHS)	Searches exposed internet-connected devices and networks.
UPD	Shodan	Shodan LLC	Archives state communications and digital records.
UPD	SMART (State Messaging and Archive Retrieval Toolset)	Illinois State Archives / CMS	Captures and preserves social media for evidentiary use.
UPD	Social Media Analysis Tools (e.g., X1 Social Discovery)	X1 Discovery Inc.	Tracks cross-border movements and customs violations.
UPD	TECS (Treasury Enforcement Communications System)	U.S. Department of Homeland Security (CBP)	Investigative platform for people and businesses.
UPD	TLOxp (by TransUnion)	TransUnion	Crime statistics reporting system.
UPD	UCR (Uniform Crime Reporting Program)	FBI	Tracks violent serial offenders across jurisdictions.
UPD	VICAP (Violent Criminal Apprehension Program)	FBI	Access program database for U.S. State Dept. guests.
UPD	Wayback Machine (Internet Archive)	Internet Archive	Historical archive of websites and online content.
UPD	WLP (International Visitor Leadership Program Database)	U.S. Department of State	Sex offender registry for public notification.
UPD	Winols Sex Offender Registry	Illinois State Police	Video-sharing platform used for public content monitoring.
UPD	YouTube	Google LLC	Video-sharing platform used for public content monitoring.



## MEMORANDUM TO THE MAYOR AND CITY COUNCIL

**Meeting:** September 2, 2025, Committee of the Whole  
**Subject:** List of Technology and Databases for the Ordinance Establishing Approval, Policy, and Reporting Requirements for Surveillance Technology and Databases

### Summary

#### *Action Requested*

To review the information provided.

#### *Brief Background*

The proposed ordinance outlines a framework to ensure that the City's use of surveillance technology and databases is transparent, accountable, and consistent with community expectations regarding privacy, civil liberties, and responsible governance. It establishes requirements for Council approval prior to the acquisition or deployment of such technology, sets standards for its use, and provides for regular reporting to City Council and the public.

### Discussion

#### *Additional Background Information*

As part of the ordinance discussion, staff have prepared a document listing the surveillance technologies and databases currently in use by the City of Urbana. This inventory is intended to provide Council and the public with a clear picture of the tools presently in use.

It is important to note that the document provided does not represent a final or exhaustive list of all technologies and databases used by the City. This initial inventory will serve as a working document and will be updated as new information becomes available, additional technologies are identified, or new systems are adopted.

#### *Recommendation*

Staff recommend that Council review the attached ordinance and accompanying list of technologies and databases, understanding that the list is preliminary and will continue to be refined. Adoption of the ordinance will establish a consistent policy framework for Council oversight and community transparency in the City's use of surveillance technology and databases.

### Attachments

1. All Depts Surveillance Tools

Originated by: Tarek Azim, Management Analyst and Darius White, City Administration

## MEMORANDUM TO THE URBANA, IL COMMITTEE OF THE WHOLE & CITY COUNCIL

**Meeting:** May 19, 2025 Committee of the Whole

**Subject:** Ordinance No. 2024-12-042: An Ordinance Establishing Approval, Policy, and Reporting Requirements for Surveillance Technology and databases

**Sponsors:** Council Members Grace Wilken & Jaya Kolisetty

### Summary

#### *Action requested*

City Council is asked to approve the attached Ordinance, which requires and clarifies the process for procurement and use of policing technology and databases that can be used to monitor, track, and identify specific individuals or groups. This Ordinance codifies the public approval process for specific surveillance technologies or databases; it does not dictate the use of any given technology (that would be voted on by Council).

Overall, the Ordinance establishes the Council approval and public input process for new and existing policing technologies and databases. The attached definitions clarify the relevant types of technology and databases, the Use Report, Use Policy, and Policing Technology Annual Report.

#### *Brief Background & Previous Action*

City of Urbana adopted the Ten Shared Principles on June 22, 2020 in Resolution No. 2020-06-031R which states “We reject discrimination toward any person that is based on race, ethnicity, religion, color, nationality, immigrant status, sexual orientation, gender, disability, or familial status;” provides support to “build and rebuild trust through procedural justice, transparency, accountability, and honest recognition of past and present obstacles” and advocates for “the four pillars of procedural justice, which are fairness, voice (i.e., an opportunity for citizens and police to believe they are heard), transparency, and impartiality”

City of Urbana reaffirmed its commitment as a sanctuary city in Resolution No. 2016-12-070R, stating that “the City Council and the Mayor will join with councils and mayors from other communities around the country to stand with our immigrant residents and defend policies that welcome and protect immigrants...” and that “no city employee or official or department or agency of the City of Urbana shall request information about or otherwise investigate or assist in the investigation of the citizenship or immigration status of any person unless such inquiry or the investigation is required by a court order...”

The City of Urbana commissioned the completion of a review of UPD and UFD policies and staffing requirements by Berry Dunn consultants. The report on the first phase of the study included community stakeholder meetings, professional stakeholder meetings, community interest group and individual meetings, and an online survey, all of which included responses from community members showing “a desire for more active transparency” (page 58). The report noted transparency as one of the four pillars of procedural justice and is included in the six pillars of 21<sup>st</sup> Century Policing, and that not providing transparency through community input “can foster mistrust and damage relationships” (page 159).

In, September of 2021, the Urbana City Council was asked to approve a budget amendment, allowing the City to move funds in order to purchase automatic license plate readers. After much discussion and public input, including Town Hall Meetings, the budget amendment failed, with a 4 to 3 vote, in November of 2021. This instance highlighted the fact that there was no procurement policy for police surveillance technology.

During the budget discussions in June of 2023, Council Members Wilken and Evans proposed additional language to the budget ordinance that clarified the intended use of approved funds and required Council approval and due public process for the purchase of certain surveillance technologies. That proposed language failed, with a 5 to 2 vote. There was feedback from Council members on how to improve the language, and comments that they would entertain a discussion about surveillance policy in the future.

In response to the proposed budget language, on the June 26, 2023 City Council meeting, Mayor Marlin stated that, “The city of Urbana will not authorize or purchase Automated License Plate Reader (ALPR) technology, without explicit majority approval from the Urbana City Council. While the prior debate and vote on ALPRs centered on a budget amendment to purchase ALPRs, rather than a general policy statement, the council discussion and 4-3 vote defeating the amendment, made the position of the majority of council very clear.”

The attached Ordinance is a product inspired from years of discussion and thought in the Urbana community. The Ordinance is intended to simply codify the understanding by which the City has been operating for years, and define mechanisms public reporting. It has undergone some preliminary reviews, and continued feedback and collaboration is welcomed.

#### *Financial Impact*

There is no expected direct financial impact of this Ordinance.

#### *Additional Information & Resources*

Model Legislation from the Policing Project, New York University School of Law (this is similar to the originally proposed Ordinance):

<https://static1.squarespace.com/static/58a33e881b631bc60d4f8b31/t/5df2acb192c2512f27a73c12/1576185009882/ADAPT+Act.pdf>

General resources on legislation for policing technology from the Policing Project:

<https://www.policingproject.org/policing-technology-model-statutes-and-legislative-resources>

Ordinance on surveillance technology from Boston, MA (these definitions were used for the updated Ordinance):

<https://www.boston.gov/sites/default/files/file/2021/09/Docket%20%230397%20%282%29.pdf>

Boston Police Department 2023 Annual Surveillance Technology Report:

[https://www.boston.gov/sites/default/files/file/2024/07/2023%20City%20of%20Boston%20Annual%20Surveillance%20Reports\\_0.pdf](https://www.boston.gov/sites/default/files/file/2024/07/2023%20City%20of%20Boston%20Annual%20Surveillance%20Reports_0.pdf)

Oakland, CA Ordinance to amend the City Code regarding police surveillance:

<https://cao-94612.s3.us-west-2.amazonaws.com/documents/OMC-9.64-January-2021-005.pdf>

Oakland, CA Privacy Commission – other resources and ordinances:

<https://www.oaklandca.gov/documents/privacy-advisory-board-ordinances-and-resolution>

ACLU Community Control Over Police Surveillance (this is the same group that created the guiding principles that were attached in the packet for the December 16, 2024 Committee of the Whole meeting):

<https://www.aclu.org/community-control-over-police-surveillance#:~:text=The%20proliferation%20in%20local%20police,color%20and%20low%20income%20communities.>

Research on data privacy and communities of color, from the Brookings Institution:

<https://www.brookings.edu/articles/police-surveillance-and-facial-recognition-why-data-privacy-is-an-imperative-for-communities-of-color/>

ACLU article on the use of ALPR data by ICE (US Immigration and Customs Enforcement) to target people who have immigrated to the US, including in Illinois and in “sanctuary cities”:

<https://www.aclu.org/news/immigrants-rights/documents-reveal-ice-using-driver-location-data>

Forbes article on lawsuits over license plate readers:

<https://www.forbes.com/sites/larsdaniel/2024/10/22/warrantless-surveillance-federal-lawsuit-challenges-flock-safety-cameras/>

ACLU model legislation: <https://www.aclu.org/documents/community-control-over-police-surveillance-model-bill>

**Attachments**

1. Ordinance No. 2024-12-042: An Ordinance Establishing Approval, Policy, and Reporting Requirements for Surveillance Technology and Databases (version 6)
2. Attachment A, Definitions (Ordinance No. 2024-12-042)

Ordinance No. 2024-12-042

**AN ORDINANCE ESTABLISHING APPROVAL, POLICY, AND REPORTING REQUIREMENTS FOR SURVEILLANCE TECHNOLOGY AND DATABASES**

**WHEREAS**, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers and functions as granted in the Illinois Constitution, 1970; and

**WHEREAS**, the City of Urbana reaffirmed its commitment as a sanctuary city in Resolution No. 2016-12-070R, stating that “the City Council and the Mayor will join with councils and mayors from other communities around the country to stand with our immigrant residents and defend policies that welcome and protect immigrants...” and that “no city employee or official or department or agency of the City of Urbana shall request information about or otherwise investigate or assist in the investigation of the citizenship or immigration status of any person unless such inquiry or the investigation is required by a court order...”; and

**WHEREAS**, the City of Urbana adopted the Ten Shared Principles on June 22, 2020 in Resolution No. 2020-06-031R which states “We reject discrimination toward any person that is based on race, ethnicity, religion, color, nationality, immigrant status, sexual orientation, gender, disability, or familial status;” provides support to “build and rebuild trust through procedural justice, transparency, accountability, and honest recognition of past and present obstacles” and advocates for “the four pillars of procedural justice, which are fairness, voice (i.e., an opportunity for citizens and police to believe they are heard), transparency, and impartiality”; and

**WHEREAS**, it is the Urbana City Council (“Council” or “City Council”) and City’s responsibility to legislate matters of public safety and accountability to the public, and any use or expense of surveillance technology or major systems regarding public safety require due public process and approval from City Council; and

**WHEREAS**, the Urbana City Council finds that no decision relating to surveillance technology should be made without collaborative community input and consideration of the impact such technologies may have on civil rights and civil liberties, including those rights guaranteed by Article I of the Illinois Constitution and the First, Fourth, and Fourteenth Amendments to the United States Constitution; and

**WHEREAS**, the use of surveillance technologies are known to have had a significant, detrimental impact on civil rights and civil liberties, namely the invasion of an individual's privacy and infringing on their right to be left alone, including those guaranteed by the First, Fourth and Fourteenth Amendments to the United States Constitution, and thus it is incumbent on the police or other agency seeking to fund, acquire, or use a surveillance technology to expressly identify the potential adverse impacts the technology may have on civil rights and civil liberties and what specific measures it will undertake to prevent such adverse impacts; and

**WHEREAS**, surveillance technologies can create oppressive, stigmatizing environments when used indiscriminately, continuously, or pervasively, especially for communities that have historically been disproportionately targeted by their use, such as communities of color, low income communities, and politically active communities; and

**WHEREAS**, the urgency to publicly process the acquisition of surveillance technologies is necessitated by new concerns whether surveillance technologies will be used to apprehend people from out-of-state seeking abortions and other reproductive healthcare in Illinois; people without legal immigration status who seek asylum and would be sought for deportation; peaceful individuals or organizations exercising their rights, including expressing grievances against the government; and people whose race, national origin, ethnic identity, gender identity, sexual orientation, or other protected demographics place them under potential for additional surveillance; and

**WHEREAS**, the need for a public process to acquire surveillance technologies is further required because of the likelihood that federal law enforcement agencies will access any data stored by surveillance technologies; and

**WHEREAS**, as of the passing of this ordinance, there is no current city policy on the use and acquisition of police surveillance technology, and it is therefore necessary to clarify the Council's position on the required processes of public accountability;

**NOW THEREFORE BE IT ORDAINED** by the City Council, of the City of Urbana, Illinois, as follows:

**Section 1. Purpose:**

The purpose of this ordinance is to provide transparency, oversight, and accountability regarding the acquisition and use of surveillance technology and surveillance data by the City of Urbana and all departments and officials (hereinafter "City" or "City Department"), and to protect privacy, civil rights, and racial and immigrant justice.

## Section 2. Approval Process for Surveillance Technology and Database Acquisition or Use

- (a) Any City Department seeking to acquire or use new surveillance technology or surveillance data, shall, prior to such acquisition or use obtain ~~written~~ approval **by majority vote** of the Urbana City Council prior to purchasing, acquiring, or using any new surveillance technology or database (as defined in Attachment A of this Ordinance), which includes linking or cross-referencing existing databases, adding new categories of data to a database, or using new analytic tools on an existing database.
- (b) At least sixty (60) days prior to seeking approval of a surveillance technology or database, the City shall submit to the City Council and make publicly available a written **and unredacted** surveillance technology or database “Use Report,” along with a draft of the proposed surveillance technology or database “Use Policy” (as defined in Attachment A of this Ordinance).
- (c) The public shall have forty-five (45) days subsequent to filing of the surveillance technology or database “Use Report” and “Use Policy” to submit formal comments to the City Council.

## Section 3. Standard for Approval of Surveillance Technology or Database

- a) When evaluating a request for the use of surveillance technology or a database, the City Council may consider a range of factors, including but not limited to:
- i) The potential public safety benefits and effectiveness of the technology.
  - ii) The economic, social, and community costs associated with its implementation and use.
  - iii) Any potential impacts on civil liberties and civil rights, including privacy concerns.
  - iv) The possibility of disparate impacts on specific communities or groups.
  - v) Safeguards or oversight mechanisms that could mitigate risks or unintended consequences.
  - vi) Alternative methods or technologies that could achieve similar outcomes with fewer negative effects

## Section 4. Reporting and Approval of Existing Surveillance Technologies and Databases

- (a) For all existing or hereinafter approved surveillance technology and databases in use, a “**Surveillance** Technology Annual Report” will be publicly available and presented to City

Council each year, which includes a current copy of the “Use Policy” for each technology and other information included in the definitions in Attachment A.

(b) For all surveillance technology and databases referenced here that are already in use at the time this Ordinance is approved:

(i) The City shall present to City Council a “Use Report” and “Use Policy” for each technology or database in use, within one hundred twenty (120) days of the passing of this Ordinance, unless otherwise extended with ~~written~~ approval by majority vote from City Council. No more than two (2) extensions shall be granted for any individual technology or database in use.

(ii) The existing surveillance technologies and databases shall require a formal approval process (as outlined in Section 1 and 2 of this Ordinance) as soon as the information on each technology is made available.

(iii) If the Council has not approved the continuing use of the surveillance technology, including the Use Report and the Use Policy, within one hundred eighty (180) days of its submission to the Council, unless otherwise extended, the City Department shall cease its use of the surveillance technology and the sharing of surveillance data therefrom until such time as Council approval by majority vote is obtained in accordance with this Ordinance.

(iv) During the period that continued use is not approved, the technology or database contract shall not be renewed or extended even if the result would be the termination of availability of the use before one hundred eighty (180) days.

## **Section 5. Contractual Agreements Involving Surveillance Technology & Databases**

(a) Except where otherwise allowed under this Ordinance all contracts or agreements for the acquisition or use of surveillance technology, regardless of duration or cost, shall require formal approval by a majority vote of the City Council prior to execution.

(b) Prior to approval, the City Department shall provide all members of City Council with an unredacted copy of any and all contract(s) or other agreement(s) for the purchase, acquisition, or use of any new surveillance technology or database, including proposed non-disclosure agreements (NDAs) that are required to be executed in tandem with a purchase or acquisition agreement

(c) The Mayor's Office and all City Departments are hereby prohibited from entering into any contract or other agreement that facilitates the receipt of privately generated and owned surveillance data, or government generated and owned surveillance data, to any non-governmental entity in exchange for any monetary or any other form of consideration from any source, including the assessment of any additional fees, interest, or surcharges on unpaid fines or debts. Any contracts or agreements signed prior to the enactment of this ordinance that violate this section shall be terminated as soon as is legally permissible.

## Section 6. Exigent Circumstances

(a) Notwithstanding the provisions of this ordinance, the Urbana Police Department or other City Department may temporarily acquire or temporarily use surveillance technology in exigent circumstances for a period not to exceed 30 days, with approval from the Mayor or their designee, without following the provisions of approval stated in this ordinance before that acquisition or use. No more than two (2) consecutive periods of exigent circumstantial use shall be granted for any individual technology or database.

(b) If the Urbana Police Department or other City Department acquires or uses surveillance technology in exigent circumstances under this section, the Urbana Police Department or other City Department must:

(i) Report that acquisition or use to the City Council in writing within 30 days following the end of those exigent circumstances and the use of the surveillance technology.

(ii) Submit a Use Report and, if necessary, a technology-specific Use Policy to the City Council regarding that Surveillance Technology within 30 days following the end of those Exigent Circumstances.

(iii) Include that surveillance technology in the next Surveillance Technology Annual Report to the City Council following the end of those Exigent Circumstances.

(iv) If the Urbana Police Department or other City Department is unable to meet the 30-day timeline to submit a surveillance technology Use Report and, if necessary, a technology-specific Use Policy to the City Council, the Urbana Police Department or other City Department must notify the City Council in writing requesting to extend this period. The City Council may grant extensions in 30-day increments beyond the original 30-day timeline to submit a surveillance technology Use Report, and, if necessary, a technology-specific Use Policy.

(v) Any surveillance technology Use Report, and, if necessary, any technology-specific Use Policy submitted to the City Council under this subsection shall be made publicly available on the City's website upon submission to the City Council.

(vi) Any Surveillance Technology Use Report and, if necessary, technology-specific Use Policy submitted to the City Council under this section may be redacted to the extent required to comply with an order by a court of competent jurisdiction, or to exclude information that, in the reasonable discretion of the Urbana Police Department or other City Department, would, if disclosed, materially jeopardize an ongoing investigation or otherwise represent a significant risk to public safety and security; provided, however, that any information redacted pursuant to this paragraph will be released in the next Surveillance Technology Annual Report following the point at which the reason for such redaction no longer exists.

(c) Departments using approved surveillance technologies or other technologies with unutilized and unapproved surveillance capabilities may apply a technical patch or upgrade that is necessary to mitigate cyber security threats to the City's environment. The department shall not use any unapproved new surveillance capabilities of the technology until the requirements of this ordinance are met or unless the Mayor or the Mayor's designee determines that the use is unavoidable; in that case, the Mayor shall request City Council approval as soon as possible. The request shall include a report to the City Council of how the altered surveillance capabilities were used since the time of the upgrade.

## **Section 7. Exclusionary Rule; Deletion/Destruction Requirement**

(a) Any data or other information created or collected in contravention of this ordinance, and any data or information derived therefrom, shall be deleted and destroyed as soon as possible, in accordance with state and federal laws, and may not:

(i) Be offered as evidence by any City government entity, agency, department, prosecutorial office, or any other subdivision thereof, in any criminal or civil action or proceeding against any member of the public, except as evidence of the violation of this Act; or

(ii) Be voluntarily provided to another person or entity for use as evidence or for any other purpose.

(b) Notwithstanding the above, if, upon the discovery of data or other information that was created or collected in contravention of this ordinance, it appears such data or

information may be material to the defense in a criminal prosecution, a copy of the relevant, potentially material data or other information shall be turned over to the defendant before it is deleted and destroyed.

### **Section 8. Annual Surveillance Technology Report Oversight**

- (a) Upon request, representatives of City Council, the Civilian Police Review Board, and the Human Rights Commission shall be given full and open access to information relevant to the enforcement of this ordinance or complaints made to their Board or Commission regarding surveillance technology or databases subject to this ordinance, in compliance with the Open Meetings Act, City confidentiality policies, and other relevant state and federal laws.
- (b) The Civilian Police Review Board (CPRB) shall collaborate on the Surveillance Technology Annual Report, Use Report, and Use Policy of each surveillance technology or database subject to this ordinance, with a final vote on the recommendation by CBRP before moving to the City Council, Committee of the Whole. .... (changes to CPRB ordinance)
- (c) The Civilian Police Review Board and the Human Rights Commission shall hear complaints made to their Board or Commission regarding surveillance technology or databases subject to this ordinance in accordance with Chapter 19 Article 3 and Chapter 12 of the Urbana City Code of Ordinances.

From ACLU Model Bill (<https://www.aclu.org/documents/community-control-over-police-surveillance-model-bill>)

### **Section 8. Community Advisory Committee on Surveillance**

(A) Within three (3) months of the adoption of this Act, the City Council shall appoint a Community Advisory Committee on Surveillance to provide the City Council with broad principles to help guide decisions about if and how surveillance technologies should be used by the City and its municipal agencies.

(1) The membership of the Community Advisory Committee on Surveillance should reflect the diversity of the City's residents, and special efforts should be made to ensure communities that have historically been disproportionately subjected to government surveillance are well-represented.

(2) The Community Advisory Committee on Surveillance shall have a Chair and Vice Chair, who shall be elected annually by the members of the Committee.

(B) Every year, by no later than September 15, the Community Advisory Committee on Surveillance shall produce and submit to the City Council a Surveillance Technology Community Equity Impact Assessment and Policy Guidance, which shall address, at a minimum, the following:

(1) What communities and groups in the City, if any, are disproportionately impacted by the use of surveillance technologies, what disparities were perceived and/or experienced, and what were the resulting adverse impacts on the community's or group's civil rights and/or civil liberties;

(2) With respect to each perceived or experienced disparity identified in response to Section 8(B)(1), what remedial adjustments to laws and policies, including but not limited to prior approvals granted pursuant to Section 1(A), should be made so as to achieve a more just and equitable outcome in the future.

(3) With respect to each remedial adjustment identified in response to Section 8(B)(2), what additional funding, implementation strategies, and/or accountability mechanisms would be needed to effectuate the adjustment; and

(4) In light of the collective responses to Section 8(B)(1)-(3), what new approaches and considerations should the City Council bring to future reviews of applications submitted pursuant to Section 1(A).

## **Section 9. Definitions**

The list of relevant definitions is included in Attachment A as part of this Ordinance.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2024.

AYES:

NAYS:

ABSTENTIONS:

Darcy E. Sanderfur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, 2024.

Diane Wolfe Marlin, Mayor

## ATTACHMENT A

(Ordinance No. 2024-12-042)

### Definitions:

- 1) *Exigent Circumstances* means the Urbana Police Chief or their designee's good faith and reasonable belief that an emergency involving danger of death, physical injury, or significant property damage or loss, similar to those that would render it impracticable to obtain a warrant, requires the use of the surveillance technology or the surveillance data it provides. The use of surveillance technology in exigent circumstances shall not infringe upon an individual's right to peacefully protest or exercise other lawful and protected constitutional rights. Exigent circumstances for the purposes of this temporary acquisition and use shall be of the type of emergency situations as contemplated under Chapter 6 of the City Code.
  
- 2) *Surveillance* means the act of observing or analyzing the movements, behavior, or actions of identifiable individuals.
  
- 3) *Surveillance Data* means any electronic data collected, captured, detected, recorded, retained, processed, intercepted, or analyzed by Surveillance Technology which is used or acquired by the City or operated at the direction of the City.
  
- 4) *Surveillance Technology* means any device, hardware, or software that is capable of collecting, capturing, recording, retaining, processing, intercepting, analyzing, monitoring, or sharing audio, visual, digital, location, thermal, biometric, associational, or similar information specifically associated with, or capable of being associated with, any identifiable individual or group; or any system, device, or vehicle that is equipped with an electronic surveillance device, hardware, or software.
  - a) Examples of Surveillance Technology include, but are not limited to:
    1. International mobile subscriber identity (IMSI) catchers and other cell-site simulators;
    2. Automatic license plate readers;
    3. Electronic toll readers;
    4. Closed-circuit television cameras except as otherwise provided herein;
    5. Biometric Surveillance Technology, including facial, voice, iris, and gait-recognition software and databases;
    6. Mobile DNA capture technology;
    7. Gunshot detection and location hardware and services;
    8. GPS tracking systems that monitor an individual's location without authorization;
    9. X-ray vans;

10. Video and audio monitoring and/or recording technology, such as surveillance cameras;
11. Surveillance enabled or capable light bulbs or light fixtures;
12. Tools, including software and hardware, used to gain **unauthorized** access to a mobile device, computer, computer service, or computer network;
13. Social media monitoring software;
14. Through-the-wall radar or similar imaging technology;
15. Passive scanners of radio networks;
16. Long-range Bluetooth and other wireless-scanning devices;
17. Thermal imaging or “forward-looking infrared” devices or cameras;
18. Electronic database systems containing Surveillance Data about Identifiable Individuals;
19. Radio-frequency identification (RFID) scanners; and
20. Software designed to integrate or analyze data from surveillance technology, including surveillance target tracking and predictive policing software.

b) Surveillance Technology does not include the following devices, software, or hardware, which are exempt from the requirements of this ordinance, unless the devices, hardware, or software are modified to include additional surveillance capabilities:

1. Routine office hardware, such as televisions, computers, and printers, that are in widespread public use and will not be used for any surveillance or surveillance- related functions;
2. Parking ticket devices (PTDs) and related databases;
3. Manually-operated, non-wearable, handheld digital cameras, audio recorders, and video recorders that are not designed to be used surreptitiously and whose functionality is used for manually capturing and manually downloading video and/or audio recordings;
4. Cameras installed in or on a police vehicle;
- #. Body-worn cameras as required by the Illinois Law Enforcement-Worn Body Camera Act, 50 ILCS 706/10-1 et seq., as amended;
5. Cameras installed pursuant to state law authorization in or on any vehicle or along a public right-of-way solely to record traffic violations or traffic patterns, provided that the Surveillance Data gathered is used only for that purpose;
6. Surveillance devices that cannot record or transmit audio or video or be remotely accessed, such as image stabilizing binoculars or night vision goggles;
7. City databases that do not and will not contain any Surveillance Data or other information collected, captured, recorded, retained, processed, intercepted, or analyzed by Surveillance Technology;

8. Manually-operated technological devices that are used primarily for internal City communications and are not designed to surreptitiously collect Surveillance Data, such as radios and email systems;
9. Parking access and revenue control systems, including proximity card readers and transponder readers at City-owned or controlled parking garages;
10. Card readers and key fobs used by City employees and other authorized persons for access to City-owned or controlled buildings and property;
11. Cameras installed on City property solely for security purposes, including closed-circuit television cameras installed by the City to monitor entryways and outdoor areas of City-owned or controlled buildings and property for the purpose of controlling access, maintaining the safety of City employees and visitors to City buildings, and protecting City property;
12. Security cameras including closed-circuit television cameras installed by the City to monitor cashiers' windows and other cash-handling operations and to maintain the safety of City employees and visitors to such areas;
13. Cameras installed solely to protect the physical integrity of City infrastructure; and
14. Technology that monitors only City employees in response to complaints of wrongdoing or in order to prevent waste, fraud, or abuse of City resources.

(c) "Use Report" shall mean a publicly released, legally enforceable written report that includes, at a minimum, the following:

- (i) Information describing the surveillance technology and how it works;
- (ii) Information on the proposed purpose(s) of the surveillance technology;
- (iii) If the surveillance technology will not be uniformly deployed throughout the city, what factors will be used to determine where the technology will be deployed or targeted;
- (iv) The fiscal impact of the surveillance technology;
- (v) An assessment of whether use of the surveillance technology will have an unwarranted disparate impact on protected classes and demographics, as defined in the Illinois Civil Rights Act of 2003, the Urbana Human Rights Ordinance, and other relevant laws and policies.
- (vi) An assessment identifying any potential adverse impacts the surveillance technology, if deployed, might have on civil liberties and civil rights, and what specific, affirmative measures will be implemented to safeguard the public from the potential adverse impacts.

(d) “Use Policy” shall mean a publicly released, legally enforceable written policy governing the use of the surveillance technology that, at a minimum, includes and addresses the following:

- (i) What specific purpose(s) the surveillance technology is intended to advance.
- (ii) Description of the authorization for use of the policing technology: specifically, what legal and procedural rules will govern each authorized use; what potential uses of the surveillance technology will be expressly prohibited such as the warrantless surveillance of public events and gatherings; and how and under what circumstances will surveillance data that was collected, captured, recorded, or intercepted by the police technology be analyzed and reviewed.
- (iii) Description of data collection, protection, and retention: specifically, what types of surveillance data will be collected, captured, recorded, intercepted, or retained by the police technology; what safeguards will be used to protect surveillance data from unauthorized access; for what maximum limited time period the surveillance data will be retained; and by what process the surveillance data will be regularly deleted after the retention period.
- (iv) Description of data sharing: specifically, which governmental agencies, departments, bureaus, divisions, or units will be approved for data sharing; how such sharing is necessary for the stated purpose and use of the surveillance technology; and what mechanisms will ensure any entity sharing access to the surveillance technology or surveillance data complies with the applicable surveillance use requirements within the Urbana “Use Policy” and does not further disclose the surveillance data to unauthorized persons and entities.

(e) “Surveillance Technology Annual Report” shall mean a written report covering each surveillance technology in use over the past year that is publicly released at least once per year and shall, at a minimum, include the following:

- (i) A summary of how each surveillance technology and database was used.
- (iii) Total annual costs for each surveillance technology and database, including personnel and other ongoing costs, and what source of funding will fund the technology in the coming year.
- (iii) How often collected surveillance data was shared with and received from any external persons or entities; under what legal standard(s) the information was disclosed; and the justification for the disclosure(s).
- (iv) A summary of complaints or concerns that were received about each surveillance technology and database.

(v) The results of any internal audits, any information about violations of the Use Policy, and any actions taken in response to complaints or concerns.

(vi) Justification for the continued use of each surveillance technology and database and safeguards to protect civil liberties, privacy, and against discrimination.

Links to code and ordinance:

- [Urbana ordinance proposal](#)
- [Oak Park ordinance](#)

“WHEREAS” section

- The key differences here are that Urbana stresses its status as a sanctuary city and its commitment to anti-discrimination. Oak Park is interested in public discussion and civil liberties but makes less mention of racism and anti-immigrant sentiment.
- Urbana: “the use of surveillance technologies are known to have had a significant, detrimental impact on civil rights and civil liberties, namely the invasion of an individual’s privacy and infringing on their right to be left alone” (cites constitution)

☐ = identical or very similar language in the other ordinance

~ = partially similar language in the other ordinance

X = there is no equivalent in the other ordinance

Urbana compared to Oak Park

Urbana Ordinance	Does Oak Park’s ordinance have this?
New surveillance technology or data requires majority vote of city council for approval	☐
Use report and use policy must be submitted to city council at least 60 days prior to seeking approval	~ 30 days prior
Public has 45 days after that submission for public comment	~ Public has 29 days (if I’m reading correctly)
Approval considerations: <ul style="list-style-type: none"> <li>• The potential public safety benefits and effectiveness of the technology.</li> <li>• The economic, social, and community costs associated with its implementation and use.</li> <li>• Any potential impacts on civil liberties and civil rights, including privacy concerns.</li> <li>• The possibility of disparate impacts on specific communities or groups.</li> </ul>	X It is possible that the Oak Park ordinance lists this in a supplemental document, but I was not able to locate it.

<ul style="list-style-type: none"> <li>• Safeguards or oversight mechanisms that could mitigate risks or unintended consequences.</li> <li>• Alternative methods or technologies that could achieve similar outcomes with fewer negative effects</li> </ul>	
<p>Annual report on surveillance technology publicly available and presented to CC every year</p>	<p>□</p>
<p>For existing tech currently in use:</p> <ul style="list-style-type: none"> <li>• Use report and use policy should be presented within 120 days of passing (with possibility for extensions)</li> <li>• Existing tech requires formal approval process</li> <li>• If not approved by CC within 180 days, cessation of use until approved by majority vote</li> <li>• Tech contracts can't be extended while waiting for CC to respond</li> </ul>	<p>~</p> <p>Language on this is not very strong in Oak Park version. It says that if technology has not already been approved, it must be re-approved, but doesn't specify the mechanisms.</p>
<p>Contracts require CC majority vote</p>	<p>X Oak Park prohibits entering into contracts that violate the provisions, but no mention of voting on contracts regarding surveillance and data.</p>
<p>Must have information including NDAs</p>	<p>X NDAs not mentioned</p>
<p>"The Mayor's Office and all City Departments are hereby prohibited from entering into any contract or other agreement that facilitates the receipt of privately generated and owned surveillance data, or government generated and owned surveillance data, to any nongovernmental entity in exchange for any monetary or any other form of consideration from any source, including the assessment of any additional fees, interest, or surcharges on unpaid fines or debts. Any contracts or agreements signed prior to the enactment of this ordinance that violate this section shall be terminated as soon as is legally permissible"</p>	<p>X</p>
<p>Exigent circumstances allow police to acquire tech for 30 days with approval from mayor. (60 days if extended)</p> <ul style="list-style-type: none"> <li>• Tech acquired during exigent circumstances must be reported to CC in 30 days following those circumstances</li> </ul>	<p>~</p> <p>Bullet points are similar, but does not mention 30 days for initial exigent circumstances</p>

<ul style="list-style-type: none"> <li>• use policy must be reported as well</li> <li>• include it in general annual report</li> </ul>	
Reports can be redacted if they relate to ongoing investigations, but have to be submitted in next report	X
Data collected in contravention of ordinance will be destroyed. Can't be used as local evidence or given voluntarily to another entity -- except as exculpatory evidence turned over to a defendant (e.g. if the evidence helps their case)	X "Only keep and maintain data related to the exigent circumstance and dispose of any data that is not relevant to an ongoing investigation" but no mention of data sharing
City council, civilian police review board (CPRB), and HRC have open access by request to all info related to enforcement of this ordinance or complaints about surveillance CPRB helps write up the report and use policy and so forth	X I did not see any mention of this in the Oak Park ordinance, other than the regular reports.
CPRB and HRC hear complaints related to surveillance tech	X

Oak Park compared to Urbana

Oak Park Ordinance	Does Urbana's ordinance have this?
Village board must approve any attempts to get funding for surveillance technology	~ Not as explicitly, but council approves budget and contracts
Village board must approve any acquiring of new surveillance tech	<input type="checkbox"/>
Village board must approve using new/existing tech in a way not previously approved, including sharing surveillance data	~ Section 2.a covers cross-referencing and new tools, not explicitly sharing data (would be covered in use policy)

Village board must approve sharing or acquiring new surveillance data	~ Not as explicitly, covered under general ordinance
Impact report must be submitted 30 days prior to getting approval for any of these things. 24 hours after it's been submitted, it will be posted online for public comment.	~ 60 days prior for "Use Report"
Village board can request revisions before approving or rejecting	<input type="checkbox"/> (Inherent in the right of council, not expressly stated)
Individuals with surveillance technology can still share it with the police	X
<p>Exigent circumstances:</p> <ul style="list-style-type: none"> <li>• Unapproved tech can only be used in exigent circumstances</li> <li>• Must cease using when the situation ends or as soon as practicable, whichever is first</li> <li>• Only keep and maintain data related to the exigent circumstance and dispose of any data not relevant to an ongoing investigation</li> <li>• Within thirty (30) days from when the exigent circumstances began, report must be submitted explaining exigent circumstances and why tech was needed, as well as why the circumstances prevented PD from following approval process. This will be posted online.</li> </ul>	~ Bullet points are similar, but doesn't specify that initial exigency period is limited to 30 days, with no more than two extensions
Annual surveillance report must be submitted (can get a reasonable extension)	<input type="checkbox"/>
The report shall be made publicly available on the Village website within 5 days. Presentation on report. Meeting to present report where citizens can comment on the report. No action necessary but village board can vote to stop using tech or modify the use policy.	~ Not on website, but presented to city council (will be in public packet)
Any Village officer or employee who knowingly violates this article shall be subject to appropriate discipline pursuant to the Village's disciplinary procedures for officers or employees.	X



Ordinance No. 2024-12-042

**AN ORDINANCE ESTABLISHING APPROVAL, POLICY, AND REPORTING REQUIREMENTS FOR SURVEILLANCE TECHNOLOGY AND DATABASES**

**WHEREAS**, the City of Urbana (“City”) is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution, 1970, and may exercise any power and perform any function pertaining to its government and affairs, and the passage of this Resolution constitutes an exercise of the City’s home rule powers and functions as granted in the Illinois Constitution, 1970; and

**WHEREAS**, the City of Urbana reaffirmed its commitment as a sanctuary city in Resolution No. 2016-12-070R, stating that “the City Council and the Mayor will join with councils and mayors from other communities around the country to stand with our immigrant residents and defend policies that welcome and protect immigrants...” and that “no city employee or official or department or agency of the City of Urbana shall request information about or otherwise investigate or assist in the investigation of the citizenship or immigration status of any person unless such inquiry or the investigation is required by a court order...”; and

**WHEREAS**, the City of Urbana adopted the Ten Shared Principles on June 22, 2020 in Resolution No. 2020-06-031R which states “We reject discrimination toward any person that is based on race, ethnicity, religion, color, nationality, immigrant status, sexual orientation, gender, disability, or familial status;” provides support to “build and rebuild trust through procedural justice, transparency, accountability, and honest recognition of past and present obstacles” and advocates for “the four pillars of procedural justice, which are fairness, voice (i.e., an opportunity for citizens and police to believe they are heard), transparency, and impartiality”; and

**WHEREAS**, it is the Urbana City Council (“Council” or “City Council”) and City’s responsibility to legislate matters of public safety and accountability to the public, and any use or expense of surveillance technology or major systems regarding public safety require due public process and approval from City Council; and

**WHEREAS**, the Urbana City Council finds that no decision relating to surveillance technology should be made without collaborative community input and consideration of the impact such technologies may have on civil rights and civil liberties, including those rights guaranteed by Article I of the Illinois Constitution and the First, Fourth, and Fourteenth Amendments to the United States Constitution; and

**WHEREAS**, the use of surveillance technologies are known to have had a significant, detrimental impact on civil rights and civil liberties, namely the invasion of an individual’s privacy and infringing on their right to be left alone, including those guaranteed by the First, Fourth and Fourteenth Amendments to the United States Constitution, and thus it is incumbent on the police or other agency seeking to fund, acquire, or use a surveillance technology to expressly identify the potential adverse impacts the technology may have on civil rights and civil liberties and what specific measures it will undertake to prevent such adverse impacts; and

**WHEREAS**, surveillance technologies can create oppressive, stigmatizing environments when used indiscriminately, continuously, or pervasively, especially for communities that have historically been disproportionately targeted by their use, such as communities of color, low income communities, and politically active communities; and

**WHEREAS**, the urgency to publicly process the acquisition of surveillance technologies is necessitated by new concerns whether surveillance technologies will be used to apprehend people from out-of-state seeking abortions and other reproductive healthcare in Illinois; people without legal immigration status who seek asylum and would be sought for deportation; peaceful individuals or organizations exercising their rights, including expressing grievances against the government; and people whose race, national origin, ethnic identity, gender identity, sexual orientation, or other protected demographics place them under potential for additional surveillance; and

**WHEREAS**, the need for a public process to acquire surveillance technologies is further required because of the likelihood that federal law enforcement agencies will access any data stored by surveillance technologies; and

**WHEREAS**, as of the passing of this ordinance, there is no current city policy on the use and acquisition of police surveillance technology, and it is therefore necessary to clarify the Council’s position on the required processes of public accountability;

**NOW THEREFORE BE IT ORDAINED** by the City Council, of the City of Urbana, Illinois, as follows:

**Section 1. Purpose:**

The purpose of this ordinance is to provide transparency, oversight, and accountability regarding the acquisition and use of surveillance technology and surveillance data by the City of Urbana and all departments and officials (hereinafter “City” or “City Department”), and to protect privacy, civil rights, and racial and immigrant justice.

## Section 2. Approval Process for Surveillance Technology and Database Acquisition or Use

- (a) Any City Department seeking to acquire or use new surveillance technology or surveillance data, shall, prior to such acquisition or use obtain approval by majority vote of the Urbana City Council prior to purchasing, acquiring, or using any new surveillance technology or database (as defined in Attachment A of this Ordinance), which includes linking or cross-referencing existing databases, adding new categories of data to a database, or using new analytic tools on an existing database.
- (b) At least sixty (60) days prior to seeking approval of a surveillance technology or database, the City shall submit to the City Council and make publicly available a written and unredacted surveillance technology or database “Use Report,” along with a draft of the proposed surveillance technology or database “Use Policy” (*as defined in Attachment A of this Ordinance*).
- (c) The public shall have forty-five (45) days subsequent to filing of the surveillance technology or database “Use Report” and “Use Policy” to submit formal comments to the City Council.

## Section 3. Standard for Approval of Surveillance Technology or Database

- a) When evaluating a request for the use of surveillance technology or a database, the City Council may consider a range of factors, including but not limited to:
- i) The potential public safety benefits and effectiveness of the technology.
  - ii) The economic, social, and community costs associated with its implementation and use.
  - iii) Any potential impacts on civil liberties and civil rights, including privacy concerns.
  - iv) The possibility of disparate impacts on specific communities or groups.
  - v) Safeguards or oversight mechanisms that could mitigate risks or unintended consequences.
  - vi) Alternative methods or technologies that could achieve similar outcomes with fewer negative effects.

## Section 4. Reporting and Approval of Existing Surveillance Technologies and Databases

- (a) For all existing or hereinafter approved surveillance technology and databases in use, a “Surveillance Technology Annual Report” will be publicly available and presented to City

Council each year, which includes a current copy of the “Use Policy” for each technology and other information included in the definitions in Attachment A.

(b) For all surveillance technology and databases referenced here that are already in use at the time this Ordinance is approved:

(i) The City shall present to City Council a “Use Report” and “Use Policy” for each technology or database in use, within one hundred twenty (120) days of the passing of this Ordinance, unless otherwise extended with approval by majority vote from City Council. No more than two (2) extensions shall be granted for any individual technology or database in use.

(ii) The existing surveillance technologies and databases shall require a formal approval process (as outlined in Section 1 and 2 of this Ordinance) as soon as the information on each technology is made available.

(iii) If the Council has not approved the continuing use of the surveillance technology, including the Use Report and the Use Policy, within one hundred eighty (180) days of its submission to the Council, unless otherwise extended, the City Department shall cease its use of the surveillance technology and the sharing of surveillance data therefrom until such time as Council approval by majority vote is obtained in accordance with this Ordinance.

(iv) During the period that continued use is not approved, the technology or database contract shall not be renewed or extended even if the result would be the termination of availability of the use before one hundred eighty (180) days.

## **Section 5. Contractual Agreements Involving Surveillance Technology & Databases**

(a) Except where otherwise allowed under this Ordinance all contracts or agreements for the acquisition or use of surveillance technology, regardless of duration or cost, shall require formal approval by a majority vote of the City Council prior to execution.

(b) Prior to approval, the City Department shall provide all members of City Council with an unredacted copy of any and all contract(s) or other agreement(s) for the purchase, acquisition, or use of any new surveillance technology or database, including proposed non-disclosure agreements (NDAs) that are required to be executed in tandem with a purchase or acquisition agreement

(c) The Mayor's Office and all City Departments are hereby prohibited from entering into any contract or other agreement that facilitates the receipt of privately generated and owned surveillance data, or government generated and owned surveillance data, to any non-governmental entity in exchange for any monetary or any other form of consideration from any source, including the assessment of any additional fees, interest, or surcharges on unpaid fines or debts. Any contracts or agreements signed prior to the enactment of this ordinance that violate this section shall be terminated as soon as is legally permissible.

## **Section 6. Exigent Circumstances**

(a) Notwithstanding the provisions of this ordinance, the Urbana Police Department or other City Department may temporarily acquire or temporarily use surveillance technology in exigent circumstances for a period not to exceed 30 days, with approval from the Mayor or their designee, without following the provisions of approval stated in this ordinance before that acquisition or use. No more than two (2) consecutive periods of exigent circumstantial use shall be granted for any individual technology or database.

(b) If the Urbana Police Department or other City Department acquires or uses surveillance technology in exigent circumstances under this section, the Urbana Police Department or other City Department must:

(i) Report that acquisition or use to the City Council in writing within 30 days following the end of those exigent circumstances and the use of the surveillance technology.

(ii) Submit a Use Report and, if necessary, a technology-specific Use Policy to the City Council regarding that Surveillance Technology within 30 days following the end of those Exigent Circumstances.

(iii) Include that surveillance technology in the next Surveillance Technology Annual Report to the City Council following the end of those Exigent Circumstances.

(iv) If the Urbana Police Department or other City Department is unable to meet the 30-day timeline to submit a surveillance technology Use Report and, if necessary, a technology-specific Use Policy to the City Council, the Urbana Police Department or other City Department must notify the City Council in writing requesting to extend this period. The City Council may grant extensions in 30-day increments beyond the original 30-day timeline to submit a surveillance technology Use Report, and, if necessary, a technology-specific Use Policy.

(v) Any surveillance technology Use Report, and, if necessary, any technology-specific Use Policy submitted to the City Council under this subsection shall be made publicly available on the City's website upon submission to the City Council.

(vi) Any Surveillance Technology Use Report and, if necessary, technology-specific Use Policy submitted to the City Council under this section may be redacted to the extent required to comply with an order by a court of competent jurisdiction, or to exclude information that, in the reasonable discretion of the Urbana Police Department or other City Department, would, if disclosed, materially jeopardize an ongoing investigation or otherwise represent a significant risk to public safety and security; provided, however, that any information redacted pursuant to this paragraph will be released in the next Surveillance Technology Annual Report following the point at which the reason for such redaction no longer exists.

(c) Departments using approved surveillance technologies or other technologies with unutilized and unapproved surveillance capabilities may apply a technical patch or upgrade that is necessary to mitigate cyber security threats to the City's environment. The department shall not use any unapproved new surveillance capabilities of the technology until the requirements of this ordinance are met or unless the Mayor or the Mayor's designee determines that the use is unavoidable; in that case, the Mayor shall request City Council approval as soon as possible. The request shall include a report to the City Council of how the altered surveillance capabilities were used since the time of the upgrade.

### **Section 7. Exclusionary Rule; Deletion/Destruction Requirement**

(a) Any data or other information created or collected in contravention of this ordinance, and any data or information derived therefrom, shall be deleted and destroyed as soon as possible, in accordance with state and federal laws, and may not:

(i) Be offered as evidence by any City government entity, agency, department, prosecutorial office, or any other subdivision thereof, in any criminal or civil action or proceeding against any member of the public, except as evidence of the violation of this Act; or

(ii) Be voluntarily provided to another person or entity for use as evidence or for any other purpose.

(b) Notwithstanding the above, if, upon the discovery of data or other information that was created or collected in contravention of this ordinance, it appears such data or

information may be material to the defense in a criminal prosecution, a copy of the relevant, potentially material data or other information shall be turned over to the defendant before it is deleted and destroyed.

### **Section 8. Annual Surveillance Technology Report Oversight**

- (a) The Civilian Police Review Board (CPRB) shall review each Surveillance Technology Annual Report, Use Report, and Use Policy of surveillance technology or database subject to this ordinance, with a final vote on the recommendation by CBRP before moving to the Urbana City Council Committee of the Whole.
- (b) The Civilian Police Review Board and the Human Rights Commission shall hear complaints made to their Board or Commission regarding surveillance technology or databases subject to this ordinance in accordance with Chapter 19 Article 3 and Chapter 12 of the Urbana City Code of Ordinances.
- (c) Upon request, representatives of City Council, the Civilian Police Review Board, and the Human Rights Commission shall be given full and open access to information relevant to the enforcement of this ordinance or complaints made to their Board or Commission regarding surveillance technology or databases subject to this ordinance, in compliance with the Open Meetings Act, City confidentiality policies, and other relevant state and federal laws.

### **Section 9. Definitions**

The list of relevant definitions is included in Attachment A as part of this Ordinance.

**PASSED BY THE CITY COUNCIL** this \_\_\_\_ day of \_\_\_\_\_, 2024.

AYES:

NAYS:

ABSTENTIONS:

Darcy E. Sanderfur, City Clerk

**APPROVED BY THE MAYOR** this \_\_\_\_ day of \_\_\_\_\_, 2024.

Diane Wolfe Marlin, Mayor

## ATTACHMENT A

(Ordinance No. 2024-12-042)

### Definitions:

1) *Exigent Circumstances* means the Urbana Police Chief or their designee's good faith and reasonable belief that an emergency involving danger of death, physical injury, or significant property damage or loss, similar to those that would render it impracticable to obtain a warrant, requires the use of the surveillance technology or the surveillance data it provides. The use of surveillance technology in exigent circumstances shall not infringe upon an individual's right to peacefully protest or exercise other lawful and protected constitutional rights. Exigent circumstances for the purposes of this temporary acquisition and use shall be of the type of emergency situations as contemplated under **Chapter 6 of the City Code**.

2) *Surveillance* means the act of observing or analyzing the movements, behavior, or actions of identifiable individuals.

3) *Surveillance Data* means any electronic data collected, captured, detected, recorded, retained, processed, intercepted, or analyzed by Surveillance Technology which is used or acquired by the City or operated at the direction of the City.

4) *Surveillance Technology* means any device, hardware, or software that is capable of collecting, capturing, recording, retaining, processing, intercepting, analyzing, monitoring, or sharing audio, visual, digital, location, thermal, biometric, associational, or similar information specifically associated with, or capable of being associated with, any identifiable individual or group; or any system, device, or vehicle that is equipped with an electronic surveillance device, hardware, or software.

a) Examples of Surveillance Technology include, but are not limited to:

1. International mobile subscriber identity (IMSI) catchers and other cell-site simulators;
2. Automatic license plate readers;
3. Electronic toll readers;
4. Closed-circuit television cameras except as otherwise provided herein;
5. Biometric Surveillance Technology, including facial, voice, iris, and gait-recognition software and databases;
6. Mobile DNA capture technology;
7. Gunshot detection and location hardware and services;
8. GPS tracking systems that monitor an individual's location without authorization;
9. X-ray vans;

10. Video and audio monitoring and/or recording technology, such as surveillance cameras;
11. Surveillance enabled or capable light bulbs or light fixtures;
12. Tools, including software and hardware, used to gain unauthorized access to a mobile device, computer, computer service, or computer network;
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14. Through-the-wall radar or similar imaging technology;
15. Passive scanners of radio networks;
16. Long-range Bluetooth and other wireless-scanning devices;
17. Thermal imaging or “forward-looking infrared” devices or cameras;
18. Electronic database systems containing Surveillance Data about Identifiable Individuals;
19. Radio-frequency identification (RFID) scanners; and
20. Software designed to integrate or analyze data from surveillance technology, including surveillance target tracking and predictive policing software.

b) Surveillance Technology does not include the following devices, software, or hardware, which are exempt from the requirements of this ordinance, unless the devices, hardware, or software are modified to include additional surveillance capabilities:

1. Routine office hardware, such as televisions, computers, and printers, that are in widespread public use and will not be used for any surveillance or surveillance- related functions;
2. Parking ticket devices (PTDs) and related databases;
3. Manually-operated, non-wearable, handheld digital cameras, audio recorders, and video recorders that are not designed to be used surreptitiously and whose functionality is used for manually capturing and manually downloading video and/or audio recordings;
4. Cameras installed in or on a police vehicle;
5. ~~#~~ Body-worn cameras as required by the Illinois Law Enforcement-Worn Body Camera Act, 50 ILCS 706/10-1 *et seq.*, as amended;
5. Cameras installed pursuant to state law authorization in or on any vehicle or along a public right-of-way solely to record traffic violations or traffic patterns, provided that the Surveillance Data gathered is used only for that purpose;
6. Surveillance devices that cannot record or transmit audio or video or be remotely accessed, such as image stabilizing binoculars or night vision goggles;
7. City databases that do not and will not contain any Surveillance Data or other information collected, captured, recorded, retained, processed, intercepted, or analyzed by Surveillance Technology;

8. Manually-operated technological devices that are used primarily for internal City communications and are not designed to surreptitiously collect Surveillance Data, such as radios and email systems;
9. Parking access and revenue control systems, including proximity card readers and transponder readers at City-owned or controlled parking garages;
10. Card readers and key fobs used by City employees and other authorized persons for access to City-owned or controlled buildings and property;
11. Cameras installed on City property solely for security purposes, including closed-circuit television cameras installed by the City to monitor entryways and outdoor areas of City-owned or controlled buildings and property for the purpose of controlling access, maintaining the safety of City employees and visitors to City buildings, and protecting City property;
12. Security cameras including closed-circuit television cameras installed by the City to monitor cashiers' windows and other cash-handling operations and to maintain the safety of City employees and visitors to such areas;
13. Cameras installed solely to protect the physical integrity of City infrastructure; and
14. Technology that monitors only City employees in response to complaints of wrongdoing or in order to prevent waste, fraud, or abuse of City resources.

(c) "Use Report" shall mean a publicly released, legally enforceable written report that includes, at a minimum, the following:

- (i) Information describing the surveillance technology and how it works;
- (ii) Information on the proposed purpose(s) of the surveillance technology;
- (iii) If the surveillance technology will not be uniformly deployed throughout the city, what factors will be used to determine where the technology will be deployed or targeted;
- (iv) The fiscal impact of the surveillance technology;
- (v) An assessment of whether use of the surveillance technology will have an unwarranted disparate impact on protected classes and demographics, as defined in the Illinois Civil Rights Act of 2003, the Urbana Human Rights Ordinance, and other relevant laws and policies.
- (vi) An assessment identifying any potential adverse impacts the surveillance technology, if deployed, might have on civil liberties and civil rights, and what specific, affirmative measures will be implemented to safeguard the public from the potential adverse impacts.

(d) “Use Policy” shall mean a publicly released, legally enforceable written policy governing the use of the surveillance technology that, at a minimum, includes and addresses the following:

- (i) What specific purpose(s) the surveillance technology is intended to advance.
- (ii) Description of the authorization for use of the policing technology: specifically, what legal and procedural rules will govern each authorized use; what potential uses of the surveillance technology will be expressly prohibited such as the warrantless surveillance of public events and gatherings; and how and under what circumstances will surveillance data that was collected, captured, recorded, or intercepted by the police technology be analyzed and reviewed.
- (iii) Description of data collection, protection, and retention: specifically, what types of surveillance data will be collected, captured, recorded, intercepted, or retained by the police technology; what safeguards will be used to protect surveillance data from unauthorized access; for what maximum limited time period the surveillance data will be retained; and by what process the surveillance data will be regularly deleted after the retention period.
- (iv) Description of data sharing: specifically, which governmental agencies, departments, bureaus, divisions, or units will be approved for data sharing; how such sharing is necessary for the stated purpose and use of the surveillance technology; and what mechanisms will ensure any entity sharing access to the surveillance technology or surveillance data complies with the applicable surveillance use requirements within the Urbana “Use Policy” and does not further disclose the surveillance data to unauthorized persons and entities.

(e) “Surveillance Technology Annual Report” shall mean a written report covering each surveillance technology in use over the past year that is publicly released at least once per year and shall, at a minimum, include the following:

- (i) A summary of how each surveillance technology and database was used.
- (iii) Total annual costs for each surveillance technology and database, including personnel and other ongoing costs, and what source of funding will fund the technology in the coming year.
- (iii) How often collected surveillance data was shared with and received from any external persons or entities; under what legal standard(s) the information was disclosed; and the justification for the disclosure(s).
- (iv) A summary of complaints or concerns that were received about each surveillance technology and database.

(v) The results of any internal audits, any information about violations of the Use Policy, and any actions taken in response to complaints or concerns.

(vi) Justification for the continued use of each surveillance technology and database and safeguards to protect civil liberties, privacy, and against discrimination.