

CITY OF LINCOLN
REGULAR CITY COUNCIL MEETING
AGENDA
JANUARY 5, 2026
CITY HALL COUNCIL CHAMBERS
700 BROADWAY STREET
6:00 PM

1. **Call to Order**
2. **Roll call**
3. **Pledge of allegiance**
4. **Public Participation**
5. **Consent Agenda By Omnibus Vote**

All items under the Consent Agenda are considered to be routine in nature and/or non-controversial and will be approved by on motion. If anyone wishes to have a separate vote on any item, it will be pulled from the Consent Agenda and voted on separately.

- A. Payment of Bills.
 - B. Approval of minutes December 9, 2025 Committee of the Whole Meeting.
6. **Ordinances and Resolutions**
 - A. Ordinance providing for the issue of an amount not to exceed \$500,000.00 General Obligation Limited Tax Bonds, Series 2026, of the City of Lincoln, Logan County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.
 - B. Ordinance Creating Section 3-27 of the Lincoln City Code (Tabled 11/17/2025).
 - C. Ordinance adding a “No Knock” Registry Regarding Solicitation.
7. **Reports**
8. **New Business/Communication**
 - A. Advise and Consent to the Mayoral Appointment of Christy Fruge to Deputy Chief of Police. (Oath of Office if approved).
 - B. Approval of Economic Development Grant to Kathie Davis, d/b/a Clear Grace Strength, for replacement of three (3) exterior doors at an amount not to exceed \$7,500.00.
9. **Announcement**
10. **Possible Executive Session**
11. **Adjournment**

We welcome the participation of persons with disabilities at all City of Lincoln meetings. If auxiliary aid or service is required for most effective participation and communication, please notify the City Clerk’s Office at 217-735-2815 or cityclerk@lincolnil.gov no later than 48 hours prior to the meeting time.

COMMITTEE OF THE WHOLE MEETING

Lincoln City Hall, Council Chambers
700 Broadway Street | Lincoln, Illinois

Tuesday, December 9, 2025

The Committee of the Whole Meeting of the City Council of Lincoln was called to order by Mayor Tracy Welch at 6:00 p.m., with proper notice given. City Clerk Peggy Bateman called roll.

Present:

Alderwoman Robin McClallen, Ward 1
Alderman Steve Parrott, Ward 1
Vacant, Ward 2
Alderman Sam Downs, Ward 2
Alderman Kevin Bateman, Ward 3
Alderman Dennis Clemons, Ward 3
Alderman Stan Anderson, Ward 4
Alderwoman Rhonda O'Donoghue, Ward 4

Staff Present:

Peggy Bateman, City Clerk
Chuck Conzo, City Treasurer
John Hoblit, City Attorney
Walt Landers, Streets Superintendent
Ty Johnson, Fire Chief
Joe Meister, Police Chief
Scott McCoy, Director of Tourism

Remote:

Andrew Bowns, Veolia Water, Project Manager

Absent:

Wes Woodhall, Building and Safety Officer

Presiding:

Mayor Tracy Welch

Public Comment:

There is no one present for public comment.

Amendment to CMT Work Order No. 11 – Community Pavilion

Shane Remmert with CMT was present. CMT is requesting an additional \$5000. There were several revisions made and the project ended up being larger than the initial scope. After the aesthetic wall was added to the design, the metal building provider came back and said they wouldn't be about to design the footings, so CMT took over that piece of the project.

This item will be placed on the regular agenda.

Request from Kent & Julie Cross to annex parcel with PIN 11-001-001-00 into City Limits.

This annexation will further the Keystone Community Solar Project. There will be a public hearing on the item prior to the voting meeting.

This will be placed on the regular agenda.

“No Knock List” amending City Code 3-10-4

This a program where residents can sign up that will prohibit solicitors from soliciting at those addresses. A list will be provided to the business when they apply for their solicitation license and will need to be signed for.

The clerk's office will work on creating a list, possibly digital. The city attorney will work with the Police Chief on language for the ordinance. This item will be brought back to another COW when it is ready.

Ordinance Creating 3-27 of the Lincoln City Code (Tabled 11/25/25)

The city attorney researched Bloomington's city code. He used that language for sole proprietorship purposes. The terms in our proposed code are identical to Bloomington's.

Alderman Anderson asked that the hours of operation be changed from 8am-9pm to 6am-9pm for those. He also questioned the \$25 city permit fee when these businesses already pay the State for their license. City Attorney Hoblit stated the hours can be changed and there is language to waive the fee.

There was more discussion about omitting the annual fee and how the ordinance would be enforced when illegal activity occurs.

More work needs done on the permit application (fingerprinting, background checks etc) so this item will be brought back to the next COW.

Tax Levy Ordinance for the City of Lincoln for 2025 at 2.9%

There will be a public hearing prior to the next voting meeting.

There were no questions on this item.

This item will be placed on the regular agenda.

Resolution abating tax for the year 2025 Debt Service on \$2,285,000.00 GO Bonds (Alternative Revenue Source, Series 2014)

There will be a public hearing for this item prior to the voting meeting.

This is the TIF district bond and is for a 20-year bond. This is the first year that the tax revenue has paid the entire amount of the payment.

This item will be placed on the regular agenda.

Resolution abating tax for the year 2025 Debt Service on \$3,270,000.00 GO Bonds (Alternative Revenue Source, Series 2018)

This is the 15-year bond for upgrading Jefferson St school to the current safety complex. This bond is paid out of the general fund.

This item will be placed on the regular agenda.

Advise & Consent to the Mayoral appointment of Chris Harding to Deputy Fire Chief

Mr. Harding will move into this position on Jan 1st.

This item will be placed on the regular agenda.

Announcements:

- Scott McCoy update on Route 66 grant: With working with the Logan County Tourism, a grant was received in the amount of \$465,695.00. The full ask. The city will receive \$411,700.00 of that amount and will be put into the purchase and reconstruction of the museum and the Route

66 centennial. Two murals, new Route 66 road signs, and a giant Lincoln Penny are in the works.

- Christmas Parade this Thursday.
- Holiday open house at the Humane Society of Logan County from 5-7pm.

Executive Session 2C11 Litigation:

There being no further announcements to come before the council, Alderman Downs made the motion to move into Executive Session, seconded by Alderman Clemons. All were in favor.

The Council recessed from the Committee of the Whole meeting at 7:17pm in order to enter Executive Session. Mayor Welch announced there would be no further city business conducted upon reconvening.

Return from Executive Session:

The council reconvened from Executive Session at 7:57pm in order to reconvene the Committee of the Whole meeting. Roll call was taken.

Present:

Aldерwoman Robin McClallen, Ward 1
Alderman Steve Parrott, Ward 1
Vacant, Ward 2
Alderman Sam Downs, Ward 2
Alderman Kevin Bateman, Ward 3
Alderman Dennis Clemons, Ward 3
Alderman Stan Anderson, Ward 4
Aldерwoman Rhonda O'Donoghue, Ward 4

Adjournment:

There being no further discussion to come before the City Council of Lincoln, Alderman Bateman motioned to adjourn, seconded by Alderman Anderson. All were in favor. Mayor Welch adjourned the meeting at 7:57p.m.

Respectfully Submitted By:

Charity Hutchison, Recording Secretary

ORDINANCE NO. _____

AN ORDINANCE providing for the issue of an amount not to exceed \$500,000 General Obligation Limited Tax Bonds, Series 2026, of the City of Lincoln, Logan County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

WHEREAS, the City of Lincoln, Logan County, Illinois (the “*City*”), is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois (the “*State*”), and is now operating under the provisions of the Illinois Municipal Code (the “*Act*”), and all laws amendatory thereof and supplementary thereto, including the Local Government Debt Reform Act of the State, as amended (the “*Debt Reform Act*”); and

WHEREAS, the City Council of the City (the “*City Council*”) has heretofore determined and does hereby determine that it is necessary, essential and in the best interests of the residents of the City to borrow at this time the sum of an amount not to exceed \$500,000 to be used to (i) finance certain capital expenditures in and for the City (the “*Project*”) and (ii) pay certain costs of issuance of the Bonds; and

WHEREAS, pursuant to and in accordance with the provisions of the Bond Issue Notification Act of the State of Illinois, as amended, the Mayor of the City, on the 19th day of November, 2025, executed an Order calling a public hearing (the “*Hearing*”) for the 1st day of December, 2025, concerning the intent of the City Council to sell an amount not to exceed \$500,000 General Obligation Limited Tax Bonds to finance the Project; and

WHEREAS, notice of the Hearing was given by (i) publication at least once not less than seven (7) nor more than thirty (30) days before the date of the Hearing in the *Lincoln Courier*, the same being a newspaper of general circulation in the City, and (ii) posting at least 48 hours before the Hearing a copy of said notice at the principal office of the City Council; and

WHEREAS, the Hearing was held on the 1st day of December, 2025, and at the Hearing, the City Council explained the reasons for the proposed bond issue and permitted persons desiring to be heard an opportunity to present written or oral testimony within reasonable time limits; and

WHEREAS, the Hearing was finally adjourned on the 1st day of December, 2025, and not less than seven (7) days have passed since the final adjournment of the Hearing; and

WHEREAS, the City Council deems it advisable, necessary and for the best interests of the City to issue bonds in the amount of not to exceed \$500,000 for the Project; and

WHEREAS, the City Council do hereby find and determine that upon the borrowing of said sum and the issuance of bonds of the City in an amount of not to exceed \$500,000 all in accordance with the provisions of Section 8-5-16 of the Act, the aggregate outstanding bonds of the City issued pursuant to said Section, including the bonds herein authorized, will not exceed one-half of one percent of the assessed value of all of the taxable property located within the City, and accordingly, the City Council is authorized to issue such bonds without submitting the question of such issuance to the electors of the City; and

WHEREAS, the Bonds so authorized shall be issued as limited bonds under the provisions of Section 15.01 of the Debt Reform Act, and as such, it is not necessary to submit the proposition of the issuance of the bonds to the voters of the City for approval;

WHEREAS, the City shall further set forth the terms of the Bonds as provided in the Bond Order, as hereinafter defined; and

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

Section 1. Incorporation of Preambles. The City Council hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does incorporate them into this Ordinance by this reference.

Section 2. Determination to Issue Bonds. It is necessary and in the best interests of the City to acquire and construct the Project and to pay all related costs and expenses incidental thereto and to borrow money and issue the Bonds for such purpose. It is hereby found and determined that such borrowing of money is for a proper public purpose and is in the public interest and is authorized pursuant to the Act; and these findings and determinations shall be deemed conclusive.

Section 3. Bond Details. There shall be issued and sold the Bonds in the aggregate principal amount of not to exceed \$500,000. The Bonds shall be designated “General Obligation Limited Tax Bonds, Series 2026” (the “*Bonds*”), shall be dated date of closing (the “*Dated Date*”) and shall also bear the date of authentication thereof. The Bonds shall be in fully registered book-entry form, shall be in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof (but no single Bond shall represent principal maturing on more than one date), and shall be numbered consecutively in such fashion as shall be determined by the Bond Registrar. Subject to a Bond Order (the “*Bond Order*”), the Bonds are hereby authorized to bear interest at a rate not to exceed 6.00% and mature in the principal amount on December 1 of each of the years (subject to optional or mandatory redemption, as set forth in the Bond Order), not to exceed \$200,000 for any year commencing not before 2026 and ending not later than 2029 as shall be specified in the Bond Order.

Each Bond shall bear interest from the later of its Dated Date as herein provided or from the most recent interest payment date to which interest has been paid or duly provided for, until

the principal amount of such Bond is paid or duly provided for, such interest (computed upon the basis of a 360-day year of twelve 30-day months) being payable on June 1 and December 1 of each year, commencing on the date set forth in the Bond Order. Interest on each Bond shall be paid by check or draft of the Paying Agent, 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 15th day (whether or not a business day) of the calendar month next preceding any interest payment date (the "*Record Date*"), and mailed to the registered owner of the Bond as shown in the Bond Register or at such other address furnished in writing by such Registered Owner, or as otherwise may be agreed with the Depository. The principal of the Bonds shall be payable in lawful money of the United States of America upon presentation thereof at the office maintained for the purpose by the Paying Agent or at successor Paying Agent and locality.

Section 4. Book Entry Provisions. The Bonds shall be initially issued in the form of a separate single fully-registered Bond for each of the maturities of the Bonds. 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, as nominee of The Depository Trust Company, New York, New York (the "*Depository*"). All of the outstanding Bonds from time to time shall be registered in the Bond Register in the name of Cede & Co., as nominee of the Depository. The City Administrator, as representative of the City, is authorized to execute and deliver on behalf of the City, and as such agent for the City, such letters to or agreements with the Depository as shall be necessary to effectuate such book-entry system (any such letter or agreement being referred to herein as the "*Representation Letter*"). Without limiting the generality of the authority given with respect to entering into such Representation Letter, it may contain provisions relating to (a) payment procedures, (b) transfers of the Bonds or of beneficial interests therein, (c) redemption

notices and procedures unique to the Depository, (d) additional notices or communications, and (e) amendment from time to time to conform with changing customs and practices with respect to securities industry transfer and payment practices.

With respect to Bonds registered in the Bond Register in the name of Cede & Co., as nominee of the Depository, none of the City, the Paying Agent or the Bond Registrar shall have any responsibility or obligation to any broker-dealer, bank or other financial institution for which the Depository holds Bonds from time to time as securities depository (each such broker-dealer, bank or other financial institution being referred to herein as a “Depository Participant”) or to any person on behalf of whom such a Depository Participant holds an interest in the Bonds. Without limiting the meaning of the immediately preceding sentence, the City, the Paying Agent and the Bond Registrar shall have no responsibility or obligation with respect to (a) the accuracy of the records of the Depository, Cede & Co., or any Depository Participant with respect to any ownership interest in the Bonds, (b) the delivery to any Depository 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 (c) the payment to any Depository 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 principal of or interest on the Bonds. No person other than a registered owner of a Bond as shown in the Bond Register shall receive a Bond certificate with respect to any Bond. Upon delivery by the Depository to the Bond Registrar of written notice to the effect that the Depository has determined to substitute a new nominee in place of Cede & Co., and subject to the provisions hereof with respect to the payment of interest to the registered owners of Bonds at the close of business on the applicable record date, the name “Cede & Co.” in this Ordinance shall refer to such new nominee of the Depository.

In the event that (a) the City determines that the Depository is incapable of discharging its responsibilities described herein and in the Representation Letter, (b) the agreement among the City, the Paying Agent and Bond Registrar, and the Depository evidenced by the Representation Letter shall be terminated for any reason or (c) the City determines that it is in the best interests of the City or of the beneficial owners of the Bonds that they be able to obtain certificated Bonds, the City shall notify the Depository and the Depository shall notify the Depository Participants of the availability of Bond certificates, and the Bonds shall no longer be restricted to being registered in the Bond Register in the name of Cede & Co., as nominee of the Depository. The City may determine that the Bonds shall be registered in the name of and deposited with a successor depository operating a book-entry system, as may be acceptable to the City, or such depository's agent or designee, but if the City does not select such alternate book-entry system, then the Bonds shall be registered in whatever name or names registered owners of Bonds transferring or exchanging Bonds shall designate, in accordance with the provisions hereof.

Section 5. Execution; Authentication. The Bonds shall be executed on behalf of the City by the manual or facsimile signature of its Mayor and attested by the manual or facsimile signature of its City Clerk, as they may 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.

Section 6. Redemption. (a) Optional Redemption. The Bonds due on and after the date, if any, specified in the Bond Order, 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 \$1,000 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 Order, and on any date thereafter, at the redemption price of par plus accrued interest to the date fixed for redemption, as provided in the Bond Order.

(b) Mandatory Redemption. The Bonds maturing on the date or dates, if any, indicated in the Bond Order, are subject to mandatory redemption, in integral multiples of \$1,000 selected by lot by the Bond Registrar, at a redemption price of par plus accrued interest to the redemption date on December 1 of the years, if any, and in the principal amounts, if any, as indicated in the Bond Order.

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 Board 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.

Section 7. Redemption Procedure. For a mandatory redemption, the Bond Registrar shall proceed to redeem Bonds without any further order or direction from the City whatsoever. For optional redemption, the City shall, at least thirty (30) days prior to the 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 maturities and principal amounts of Bonds to be redeemed. For purposes of any redemption of less than all of the Bonds of a single maturity, the particular Bonds or portions of Bonds to be redeemed shall be selected by lot not more than sixty (60) days prior to the redemption date by the Bond Registrar for 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 \$1,000 Bond or \$1,000 portion of a Bond shall be as likely to be called for redemption as any other such \$1,000 Bond or \$1,000 portion.

The Bond Registrar shall promptly notify the City and the Paying Agent 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.

Unless waived by the registered owner of Bonds to be redeemed, official notice of any such redemption shall be given by the Bond Registrar on behalf of the City by mailing the redemption notice by first class mail not less than 30 days and not more than 60 days prior to the date fixed for redemption to each 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 official notices of redemption shall include at least the information as follows:

- (a) the redemption date;

- (b) the redemption price;
- (c) if less than all of the outstanding Bonds of a particular maturity are to be redeemed, the identification (and, in the case of partial redemption of Bonds within such maturity, the respective principal amounts) of the Bonds to be redeemed;
- (d) a statement 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; and
- (e) the place where such Bonds are to be surrendered for payment of the redemption price, which place of payment shall be the office maintained for the purpose by the Paying Agent.

Such additional notice as may be agreed upon with the Depository shall also be given as long as any Bonds are held by the Depository.

Prior to any redemption date, the City shall deposit with the Paying Agent 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.

Official notice of redemption having been given as aforesaid, 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. Neither the failure to mail such redemption notice, nor any defect in any notice so mailed, to any particular registered owner of a Bond, shall affect the sufficiency of such notice with respect to other registered owners. Notice having been properly given, failure of a registered owner of a Bond to receive such notice shall not be deemed to invalidate, limit or delay the effect of the notice or

redemption action described in the notice. Such notice may be waived in writing by a registered owner of a Bond entitled to receive such notice, either before or after the event, and such waiver shall be the equivalent of such notice. Waivers of notice by registered owners shall be filed with the Bond Registrar, but such filing shall not be a condition precedent to the validity of any action taken in reliance upon such waiver.

Upon surrender of such Bonds for redemption in accordance with said notice, such Bonds shall be paid by the Paying Agent at the redemption price. The procedure for the payment of interest due as part of the redemption price shall be as herein provided for payment of interest otherwise due. Upon surrender for any partial redemption of any Bond, there shall be prepared for the registered owner a new Bond or Bonds of like tenor, of authorized denominations, of the same maturity, and bearing the same rate of interest in the amount of the unpaid principal.

If any Bond or portion of a Bond called for redemption shall not be so paid upon surrender thereof for redemption, the principal shall, until paid or duly provided for, 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 canceled and destroyed by the Bond Registrar and shall not be reissued.

The City agrees to provide such additional notice of redemption as it may deem advisable at such time as it determines to redeem Bonds, taking into account any requirements or guidance of the Securities and Exchange Commission, the Municipal Securities Rulemaking Board, the Government Accounting Standards Board, or any other federal or state agency having jurisdiction or authority in such matters; *provided, however*, that such additional notice shall be (1) advisory in nature, (2) solely in the discretion of the City, and (3) not be a condition precedent of a valid redemption or a part of the Bond contract, and any failure or defect in such notice shall not delay

or invalidate the redemption of Bonds for which proper official notice shall have been given. Reference is also made to the provisions of the Continuing Disclosure Undertaking of the City with respect to the Bonds, which may contain other provisions relating to notice of redemption of Bonds.

Upon the payment of the redemption price of Bonds being redeemed, each check or other transfer of funds issued for such purpose shall bear the CUSIP number identifying, by issue and maturity, the Bonds being redeemed with the proceeds of such check or other transfer.

As part of their respective duties hereunder, the Bond Registrar and Paying Agent shall prepare and forward to the City a statement as to notice given with respect to each redemption together with copies of the notices as mailed and published.

Section 8. Registration and Exchange or Transfer of Bonds; Persons Treated as Owners. The City shall cause the Bond Register to be kept at the office maintained for the purpose by the Bond Registrar, which is hereby constituted and appointed the registrar of the City for the Bonds. The City is authorized to prepare, and the Bond Registrar or such other agent as the City may designate shall keep custody of, multiple Bond blanks executed by the City for use in the transfer and exchange of Bonds.

Any Bond may be transferred or exchanged, but only in the manner, subject to the limitations, and upon payment of the charges as set forth in this Ordinance. Upon surrender for transfer or exchange of any Bond at the office maintained for the purpose by the Bond Registrar, duly endorsed by or accompanied by a written instrument or instruments of transfer or exchange in form satisfactory to the Bond Registrar and duly executed by the registered owner or an attorney for such owner 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 or, in the case of an

exchange, the registered owner, a new fully registered Bond or Bonds of like tenor, of the same maturity, bearing the same interest rate, of authorized denominations, for a like aggregate principal amount.

The Bond Registrar shall not be required to transfer or exchange any Bond during the period from the close of business on the Record Date for an interest payment to 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 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,* that the principal amount of Bonds of each maturity authenticated by the Bond Registrar shall not at any one time exceed the authorized principal amount of Bonds for such maturity less the amount of such Bonds which have been paid.

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 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 exchange of a Bond for the unredeemed portion of a Bond or Bonds surrendered for redemption.

Section 9. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth:

REGISTERED
No. R-____

REGISTERED
\$ _____

UNITED STATES OF AMERICA

STATE OF ILLINOIS

COUNTY OF LOGAN

CITY OF LINCOLN

GENERAL OBLIGATION LIMITED TAX BOND, SERIES 2026

Interest Rate:	Maturity Date:	Dated Date:	CUSIP:
_____%	December 1, 20____	_____, 2026	533645 ____

Registered Owner: CEDE & CO.

Principal Amount:

[1] KNOW ALL PERSONS BY THESE PRESENTS, that the City of Lincoln, Logan County, 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, 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 as set forth in the Bond Order. Principal of this Bond is payable in lawful money of the United States of America at the principal office of _____, _____, _____, as bond registrar and paying agent (the "*Bond Registrar*"). Payment of the installments 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 15th day (whether or not a business day) of the calendar month next preceding any interest payment date and 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.

[2] It is hereby certified and recited that all conditions, acts and things required by law to exist or to be done precedent to and in the issuance of this Bond did exist, have happened, been done and performed in regular and due form and time as required by law; that the indebtedness of the City, including the issue of bonds of which this is one, does not exceed any limitation imposed by law; and that provision has been made for the collection of a direct annual tax to pay the interest hereon as it falls due and also to pay and discharge the principal hereof at maturity. Although this Bond constitutes a general obligation of the City and no limit exists on the rate of said direct annual

tax; the amount of said tax is limited by the provisions of the Property Tax Extension Limitation Law of the State of Illinois, as amended (the "*Law*"). The Law provides that the annual amount of the taxes to be extended to pay the issue of Bonds of which this Bond is one and all other limited bonds (as defined in the Local Government Debt Reform Act of the State of Illinois, as amended) hereafter issued by the City shall not exceed the debt service extension base (as defined in the Law) of the City (the "*Base*"). The City is authorized to issue from time to time additional limited bonds payable from the Base, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the City's limited bonds.

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

[4] IN WITNESS WHEREOF, said City of Lincoln, Logan County, Illinois, by its City Council, has caused its corporate seal to be hereunto affixed or printed hereon, and this Bond to be signed by the manual or duly authorized facsimile signature of the Mayor and be attested by the manual or duly authorized facsimile signature of the City Clerk, all as of the Dated Date identified above.

Mayor

ATTEST:

City Clerk

[SEAL]

Date of Authentication: _____, 2026

CERTIFICATE
OF
AUTHENTICATION

Bond Registrar and Paying Agent:

_____, _____

This Bond is one of the Bonds described in the within mentioned ordinance and is one of the General Obligation Limited Tax Bonds, Series 2026, of City of Lincoln, Logan County, Illinois.

as Bond Registrar

By _____
Authorized Officer

[5] This Bond is one of a series of bonds issued by the City to finance certain capital expenditures in and for the City, pursuant to and in full compliance with the provisions of the Illinois Municipal Code, and all laws amendatory thereof and supplementary thereto, and is authorized by the City Council by an ordinance duly and properly adopted for that purpose by the City Council of the City on the 5th day of January, 2026, and a Bond Order executed on the ___ day of _____, 2026, in all respects as provided by law.

[6] This Bond is transferable by the Registered Owner hereof in person or by his attorney duly authorized in writing at the principal office of the Bond Registrar in _____, but only in the manner, subject to the limitations and upon payment of the charges provided in the authorizing 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.

[7] The Bonds are issued in fully registered form in minimum denominations of \$100,000 and integral multiples of \$1,000 in excess thereof. This Bond may be exchanged at the principal 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 authorizing ordinance.

[8] 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, assigns and transfers unto _____

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint _____
_____ 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 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 10. Sale of Bonds. The Mayor, City Clerk, or the City Treasurer (the "Designated Representatives") are hereby authorized to proceed, without any further authorization

or direction from the City Council, to sell and deliver the Bonds to the Underwriter upon the payment of the price set forth in the Bond Order, the same being not less than 95% of the principal amount of the Bonds plus accrued interest to date of delivery, it being hereby found and determined that the sale of the Bonds to the Underwriter is in the best interests of the City and that no person holding any office of the City, either by election or appointment, is in any manner financially interested directly in his own name or indirectly in the name of any other person, association, trust or corporation, in the sale of the Bonds to the Underwriter.

Upon the sale of the Bonds, the Designated Officers 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, a Preliminary Official Statement, Official Statement and closing documents.

The distribution of the Preliminary Official Statement relating to the Bonds is hereby in all respects authorized and approved, and the proposed use by the Underwriter of an Official Statement (in substantially the form of the Preliminary Official Statement but with appropriate variations to reflect the final terms of the Bonds) is hereby approved.

Section 11. Tax Levy. In order to provide for the collection of a direct annual tax to pay the interest on the Bonds as it falls due, and also to pay and discharge the principal thereof at maturity, there be and there is hereby levied upon all the taxable property within the City a direct annual tax for each of the years while the Bonds or any of them are outstanding, and that there be and there is hereby levied upon all of the taxable property in the City, in each of the years 2025 (collected in 2026) to 2028 (collected in 2029), a maximum direct annual tax in the amount of \$205,000, such amount to be finalized in the Bond Order.

Principal or interest maturing at any time when there are not sufficient funds on hand from the foregoing tax levy to pay the same shall be paid from the general funds of the City, and the fund from which such payment was made shall be reimbursed out of the taxes hereby levied when the same shall be collected.

The City covenants and agrees with the purchasers and the holders 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 and the City and its officers will comply with all present and future applicable laws in order to assure that the foregoing taxes will be levied, extended and collected as provided herein and deposited in the fund established to pay the principal of and interest on the Bonds.

Pursuant to Section 13 of the Debt Reform Act, the moneys deposited or to be deposited into the Bond Fund (as defined herein), including any tax receipts derived from the taxes levied pursuant to this Ordinance, are pledged as security for the payment of the Bonds. While any Bonds remain outstanding and unpaid, the tax levies to be made as provided by this Ordinance shall be for the sole benefit of the owners of the outstanding Bonds and such owners shall have and are granted a security interest in, and a lien upon, all rights, claims and interests of the City arising pursuant to those levies and all present and future proceeds of such levies. The security interest in and lien upon those rights, claims and interests are immediately valid and binding from the time the Bonds are issued, and shall immediately attach to (a) the tax receipts wherever held, (b) amounts held in the Bond Fund and other funds pledged for the benefit of holders of the Bonds, and (c) those rights, claims and interests pledged hereby, without any physical delivery or further act and the lien of such pledge shall be immediately valid and binding as against all parties having

claims of any kind in tort, contract or otherwise against the City or against the funds, rights, claims or interests pledged hereby irrespective of whether such parties have notice thereof.

The pledge is an agreement between the City and the bondholders to provide security for the Bonds in addition to any statutory lien.

Section 12. Filing of Ordinance. Forthwith upon the passage and effective date of this Ordinance, the City Clerk is hereby directed to file a certified copy of this Ordinance with the County Clerk of The County of Logan, Illinois (the “*County Clerk*”), and it shall be the duty of the County Clerk to annually in and for each of the levy years as provided in the Bond Order, inclusive, to ascertain the rate necessary to produce the tax herein levied, and extend the same for collection on the tax books against all of the taxable property within the City in connection with other taxes levied in said year for City purposes, in order to raise the amount aforesaid and in said year such annual tax shall be computed, extended and collected in the same manner as now or hereafter provided by law for the computation, extension and collection of taxes for general purposes of the City, and when collected, the taxes hereby levied shall be placed to the credit of a special fund to be designated “Corporate Purpose Bond and Interest Fund of 2026” (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 13. Limitation on Extension; General Obligation Pledge; Additional Obligations. Notwithstanding any other provision of this Ordinance, the annual amount of the taxes to be extended by the County Clerk to pay the Bonds and all other limited bonds (as defined in the Debt Reform Act) hereafter issued by the City shall not exceed the debt service extension base (as defined in the Property Tax Extension Limitation Law of the State, as amended) of the City (the “*Base*”).

No limit, however, exists on the rate of the direct annual tax levied herein, and the Bonds shall constitute a general obligation of the City.

The City is authorized to issue from time to time additional limited bonds payable from the Base, as permitted by law, and to determine the lien priority of payments to be made from the Base to pay the City's limited bonds.

Section 14. Creation of Funds and Use of Proceeds. Any accrued interest received on the delivery of the Bonds is hereby appropriated for the purpose of paying first interest due on the Bonds and is hereby ordered deposited into the Bond Fund. The principal proceeds of the Bonds and any premium received upon the sale of the Bonds are hereby appropriated to paying the costs of issuance of the Bonds and for the purpose of paying the cost of the Project and shall be deposited into the 2026 Project Fund of the City (the "*Project Fund*"). At the time of the issuance of the Bonds, the costs of issuance of the Bonds may be paid by the Underwriter on behalf of the City from the proceeds of the Bonds.

Taxes received for the payment of the Bonds shall be deposited into the Bond Fund and used solely and only for paying the Bonds. Interest received from deposits in the Bond Fund shall, at the discretion of the City Council and to the extent permitted by law, either be transferred to the corporate fund of the City or be retained in the Bond Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest is received.

Section 15. Non-Arbitrage and Tax-Exemption. One purpose of this Section is to set forth various facts regarding the Bonds and to establish the expectations of the City Council and the City as to future events regarding the Bonds and the use of Bond proceeds. The certifications, covenants and representations contained herein and at the time of the Closing are made on behalf of the City for the benefit of the owners from time to time of the Bonds. In addition to providing

the certifications, covenants and representations contained herein, the City hereby covenants that it will not take any action, omit to take any action or permit the taking or omission of any action within its control (including, without limitation, making or permitting any use of the proceeds of the Bonds) if taking, permitting or omitting to take such action would cause any of the Bonds to be an arbitrage bond or a private activity bond within the meaning of the hereinafter defined Code or would otherwise cause the interest on the Bonds to be included in the gross income of the recipients thereof for federal income tax purposes. The City acknowledges that, in the event of an examination by the Internal Revenue Service of the exemption from federal income taxation for interest paid on the Bonds, under present rules, the City is treated as the “taxpayer” in such examination and agrees that it will respond in a commercially reasonable manner, to any inquiries from the Internal Revenue Service in connection with such an examination. The City Council and the City certify, covenant and represent as follows:

1.1. *Definitions.* In addition to such other words and terms used and defined in this Ordinance, the following words and terms used in this Section shall have the following meanings unless, in either case, the context or use clearly indicates another or different meaning is intended:

“*Affiliated Person*” means any Person that (a) at any time during the six months prior to the execution and delivery of the Bonds, (i) has more than five percent of the voting power of the governing body of the City in the aggregate vested in its directors, officers, owners, and employees or, (ii) has more than five percent of the voting power of its governing body in the aggregate vested in directors, officers, board members or employees of the City or (b) during the one-year period beginning six months prior to the execution and delivery of the Bonds, (i) the composition of the governing body of which is modified or established to reflect (directly or indirectly) representation of the interests of the City (or for which an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period) or (ii) the composition of the governing body of the City is modified or established to reflect (directly or indirectly) representation of the interests of such Person (or for which an agreement, understanding, or arrangement relating to such a modification or establishment during that one-year period).

“*Bond Counsel*” means Miller, Canfield, Paddock and Stone, P.L.C., or any other nationally recognized firm of attorneys experienced in the field of municipal bonds whose opinions are generally accepted by purchasers of municipal bonds.

“Capital Expenditures” means costs of a type that would be properly chargeable to a capital account under the Code (or would be so chargeable with a proper election) under federal income tax principles if the City were treated as a corporation subject to federal income taxation, taking into account the definition of Placed-in-Service set forth herein.

“Code” means the Internal Revenue Code of 1986, as amended.

“Closing” means the first date on which the City is receiving the purchase price for the Bonds.

“Commingled Fund” means any fund or account containing both Gross Proceeds and an amount in excess of \$25,000 that are not Gross Proceeds if the amounts in the fund or account are invested and accounted for, collectively, without regard to the source of funds deposited in the fund or account. An open-ended regulated investment company under Section 851 of the Code is not a Commingled Fund.

“Control” means the possession, directly or indirectly through others, of either of the following discretionary and non-ministerial rights or powers over another entity:

- (a) to approve and to remove without cause a controlling portion of the governing body of a Controlled Entity; or
- (b) to require the use of funds or assets of a Controlled Entity for any purpose.

“Controlled Entity” means any entity or one of a group of entities that is subject to Control by a Controlling Entity or group of Controlling Entities.

“Controlled Group” means a group of entities directly or indirectly subject to Control by the same entity or group of entities, including the entity that has Control of the other entities.

“Controlling Entity” means any entity or one of a group of entities directly or indirectly having Control of any entities or group of entities.

“Costs of Issuance” means the costs of issuing the Bonds, including underwriter’s discount and legal fees.

“De minimis Amount of Original Issue Discount or Premium” means with respect to an obligation (a) any original issue discount or premium that does not exceed two percent of the stated redemption price at maturity of the Bonds plus (b) any original issue premium that is attributable exclusively to reasonable underwriter’s compensation.

“External Commingled Fund” means a Commingled Fund in which the City and all members of the same Controlled Group as the City own, in the aggregate, not more than ten percent of the beneficial interests.

“*GIC*” means (a) any investment that has specifically negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate and (b) any agreement to supply investments on two or more future dates (*e.g.*, a forward supply contract).

“*Gross Proceeds*” means amounts in the Bond Fund and the Project Fund.

“*Net Sale Proceeds*” means amounts actually or constructively received from the sale of the Bonds reduced by any such amounts that are deposited in a reasonably required reserve or replacement fund for the Bonds.

“*Person*” means any entity with standing to be sued or to sue, including any natural person, corporation, body politic, governmental unit, agency, authority, partnership, trust, estate, association, company, or group of any of the above.

“*Placed-in-Service*” means the date on which, based on all facts and circumstances (a) a facility has reached a degree of completion that would permit its operation at substantially its design level and (b) the facility is, in fact, in operation at such level.

“*Private Business Use*” means any use of the Project by any Person other than a state or local government unit, including as a result of (i) ownership, (ii) actual or beneficial use pursuant to a lease or a management, service, incentive payment, research or output contract or (iii) any other similar arrangement, agreement or understanding, whether written or oral, except for use of the Project on the same basis as the general public. Private Business Use includes any formal or informal arrangement with any person other than, a state or local governmental unit that conveys special legal entitlements to any portion of the Project that is available for use by the general public or that conveys to any person other than a state or local governmental unit any special economic benefit with respect to any portion of the Project that is not available for use by the general public.

“*Project Fund*” means that portion of the fund or funds of the City from which the costs of the Project are being paid.

“*Qualified Administrative Costs of Investments*” means (a) reasonable, direct administrative costs (other than carrying costs) such as separately stated brokerage or selling commissions but not legal and accounting fees, recordkeeping, custody and similar costs; or (b) all reasonable administrative costs, direct or indirect, incurred by a publicly offered regulated investment company or an External Commingled Fund.

“*Qualified Tax-Exempt Obligations*” means (a) any obligation described in Section 103(a) of the Code, the interest on which is excludable from gross income of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of the Code; (b) an interest in a regulated investment company to the extent that at least ninety-five percent of the income to the holder of the interest is interest that is excludable from gross income under Section 103 of the Code of any owner thereof for federal income tax purposes and is not an item of tax preference for purposes of the alternative minimum tax imposed by Section 55 of

the Code; and (c) certificates of indebtedness issued by the United States Treasury pursuant to the Demand Deposit State and Local Government Series program described in 31 C.F.R. pt. 344.

“*Rebate Fund*” means the fund, if any, identified and defined in paragraph 4.2 herein.

“*Rebate Provisions*” means the rebate requirements contained in Section 148(f) of the Code and in the Regulations.

“*Regulations*” means United States Treasury Regulations dealing with the tax-exempt bond provisions of the Code.

“*Reimbursed Expenditures*” means expenditures of the City paid prior to Closing to which Sale Proceeds or investment earnings thereon are or will be allocated.

“*Sale Proceeds*” means amounts actually or constructively received from the sale of the Bonds, including (a) amounts used to pay underwriter’s discount or compensation and accrued interest, other than accrued interest for a period not greater than one year before Closing but only if it is to be paid within one year after Closing and (b) amounts derived from the sale of any right that is part of the terms of a Bond or is otherwise associated with a Bond (e.g., a redemption right).

“*Yield*” means that discount rate which when used in computing the present value of all payments of principal and interest paid and to be paid on an obligation (using semiannual compounding on the basis of a 360-day year) produces an amount equal to the obligation’s purchase price (or in the case of the Bonds, the issue price as established in paragraph 5.1), including accrued interest.

“*Yield Reduction Payment*” means a rebate payment or any other amount paid to the United States in the same manner as rebate amounts are required to be paid or at such other time or in such manner as the Internal Revenue Service may prescribe that will be treated as a reduction in Yield of an investment under the Regulations.

2.1. *Purpose of the Bonds.* The Bonds are being issued to finance the Project in a prudent manner consistent with the revenue needs of the City. A breakdown of the sources and uses of funds is set forth in the preceding Section of this Ordinance. At least 75% of the sum of (i) Sale Proceeds plus (ii) investment earnings thereon less (iii) Costs of Issuance paid from Sale Proceeds or investment earnings thereon, less (iv) Sale Proceeds or investment earnings thereon deposited in a reasonably required reserve or replacement fund, are expected to be used for construction purposes with respect to property owned by a governmental unit or a Section 501(c)(3) organization.

2.2. *The Project — Binding Commitment and Timing.* The City has incurred or expects, within six months of the Closing, to incur a substantial binding obligation (not subject to contingencies within the control of the City or any member of the same Controlled Group as the City) to a third party to expend at least five percent of the Net Sale

Proceeds on the Project. It is expected that the work of acquiring and constructing the Project and the expenditure of amounts deposited into the Project Fund will continue to proceed with due diligence through the third anniversary of the issuance of the Bonds, at which time it is anticipated that all Sale Proceeds and investment earnings thereon will have been spent.

It is expected that the Sale Proceeds deposited into the Project Fund, including investment earnings on the Project Fund, will be spent to pay costs of the Project and interest on the Bonds not later than the date set forth in the preceding paragraph, the investment earnings on the Bond Fund will be spent to pay interest on the Bonds, or to the extent permitted by law, investment earnings on amounts in the Project Fund and the Bond Fund will be commingled with substantial revenues from the governmental operations of the City, and the earnings are reasonably expected to be spent for governmental purposes within six months of the date earned. Interest earnings on the Project Fund and the Bond Fund have not been earmarked or restricted by the City Council for a designated purpose. Except for any accrued interest on the Bonds used to pay first interest due on the Bonds, no proceeds of the Bonds will be used more than 30 days after the date of issue of the Bonds for the purpose of paying any principal or interest on any issue of bonds, notes, certificates or warrants or on any installment contract or other obligation of the City or for the purpose of replacing any funds of the City used for such purpose.

2.3. *Reimbursement.* None of the Sale Proceeds or investment earnings thereon will be used for Reimbursed Expenditures.

2.4. *Working Capital.* All Sale Proceeds and investment earnings thereon will be used, directly or indirectly, to finance Capital Expenditures other than the following:

(a) an amount not to exceed five percent of the Sale Proceeds for working capital expenditures directly related to Capital Expenditures financed by the Bonds;

(b) payments of interest on the Bonds for a period commencing at Closing and ending on the later of the date three years after Closing or one year after the date on which the Project is Placed-in-Service;

(c) Costs of Issuance and Qualified Administrative Costs of Investments;

(d) payments of rebate or Yield Reduction Payments made to the United States under the Regulations;

(e) principal of or interest on the Bonds paid from unexpected excess Sale Proceeds and investment earnings thereon; and

(f) investment earnings that are commingled with substantial other revenues and are expected to be allocated to expenditures within six months.

2.5. *Consequences of Contrary Expenditure.* The City acknowledges that if Sale Proceeds and investment earnings thereon are spent for non-Capital Expenditures other than as permitted by paragraph 2.4 hereof, a like amount of then available funds of the City will be treated as unspent Sale Proceeds.

2.6. *Investment of Bond Proceeds.* Not more than 50% of the Sale Proceeds and investment earnings thereon are or will be invested in investments (other than Qualified Tax-Exempt Obligations) having a Yield that is substantially guaranteed for four years or more. No portion of the Bonds is being issued solely for the purpose of investing a portion of Sale Proceeds or investment earnings thereon at a Yield higher than the Yield on the Bonds.

2.7. *No Grants.* None of the Sale Proceeds or investment earnings thereon will be used to make grants to any person.

2.8. *Hedges.* Neither the City nor any member of the same Controlled Group as the City has entered into or expects to enter into any hedge (e.g., an interest rate swap, interest rate cap, futures contract, forward contract or an option) with respect to the Bonds. The City acknowledges that any such hedge could affect, among other things, the calculation of Bond Yield under the Regulations. The Internal Revenue Service could recalculate Bond Yield if the failure to account for the hedge fails to clearly reflect the economic substance of the transaction.

The City also acknowledges that if it acquires a hedging contract with an investment element (including e.g., an off-market swap agreement, or any cap agreement for which all or a portion of the premium is paid at, or before the effective date of the cap agreement), then a portion of such hedging contract may be treated as an investment of Gross Proceeds of the Bonds, and be subject to the fair market purchase price rules, rebate and yield restriction. The City agrees not to use proceeds of the Bonds to pay for any, such hedging contract in whole or in part. The City also agrees that it will not give any assurances to any Bond holder, or any credit or liquidity enhancer with respect to the Bonds that any such hedging contract will be entered into or maintained. The City recognizes that if a portion of a hedging contract is determined to be an investment of gross proceeds, such portion may not be fairly priced even if the hedging contract as a whole is fairly priced.

2.9. *Internal Revenue Service Audits.* The City represents that the Internal Revenue Service has not contacted the City regarding any obligations issued by or on behalf of the City. To the best of the knowledge of the City, no such obligations of the City are currently under examination by the Internal Revenue Service.

3.1. *Use of Proceeds.* (a) The use of the Sale Proceeds and investment earnings thereon and the funds held under this Ordinance at the time of Closing are described in the preceding Section of this Ordinance. No Sale Proceeds will be used to pre-pay for goods or services to be received over a period of years prior to the date such goods or services are to be received. No Sale Proceeds or any investment earnings thereon will be used to pay for or otherwise acquire goods or services from an Affiliated Person.

(b) Only the funds and accounts described in said Section will be funded at Closing. There are no other funds or accounts created under the Ordinance.

(c) Principal of and interest on the Bonds will be paid from the Bond Fund.

(d) Costs of Issuance incurred in connection with the issuance of the Bonds will be paid from the Expense Fund. Any moneys remaining in the Expense Fund after the payment of all Costs of Issuance shall be transferred to the Project Fund within six months of Closing.

(e) The costs of the Project will be paid from the Project Fund and no other moneys (except for investment earnings on amounts in the Project Fund) are expected to be deposited therein.

3.2. *Purpose of Bond Fund.* The Bond Fund will be used primarily to achieve a proper matching of revenues and earnings with principal and interest payments on the Bonds in each bond year. It is expected that the Bond Fund will be depleted at least once a year, except for a reasonable carry over amount not to exceed the greater of (a) the earnings on the investment of moneys in the Bond Fund for the immediately preceding bond year or (b) 1/12th of the principal and interest payments on the Bonds for the immediately preceding bond year.

3.3. *No Other Gross Proceeds.* (a) Except for the Bond Fund and the Project Fund, and except for investment earnings that have been commingled as described in paragraph 2.2 and any credit enhancement or liquidity device related to the Bonds, after the issuance of the Bonds, neither the City nor any member of the same Controlled Group as the City has or will have any property, including cash, securities or will have any property, including cash, securities or any other property held as a passive vehicle for the production of income or for investment purposes, that constitutes:

(i) Sale Proceeds;

(ii) amounts in any fund or account with respect to the Bonds (other than the Rebate Fund);

(iii) amounts that have a sufficiently direct nexus to the Bonds or to the governmental purpose of the Bonds to conclude that the amounts would have been used for that governmental purpose if the Bonds were not used or to be used for that governmental purpose (the mere availability or preliminary earmarking of such amounts for a governmental purpose, however, does not itself establish such a sufficient nexus);

(iv) amounts in a debt service fund, redemption fund, reserve fund, replacement fund or any similar fund to the extent reasonably expected to be used directly or indirectly to pay principal of or interest on the Bonds or any amounts for which there is provided, directly or indirectly,

a reasonable assurance that the amount will be available to pay principal of or interest on the Bonds or the obligations under any credit enhancement or liquidity device with respect to the Bonds, even if the City encounters financial difficulties;

(v) any amounts held pursuant to any agreement (such as an agreement to maintain certain levels of types of assets) made for the benefit of the holders of the Bonds or any credit enhancement provider, including any liquidity device or negative pledge (*e.g.*, any amount pledged to pay principal of or interest on an issue held under an agreement to maintain the amount at a particular level for the direct or indirect benefit of holders of the Bonds or a guarantor of the Bonds); or

(vi) amounts actually or constructively received from the investment and reinvestment of the amounts described in (i) or (ii) above.

(b) No compensating balance, liquidity account, negative pledge of property held for investment purposes required to be maintained at least at a particular level or similar arrangement exists with respect to, in any way, the Bonds or any credit enhancement or liquidity device related to the Bonds.

4.1. *Compliance with Rebate Provisions.* The City covenants to take such actions and make, or cause to be made, all calculations, transfers and payments that may be necessary to comply with the Rebate Provisions applicable to the Bonds. The City will make, or cause to be made, rebate payments with respect to the Bonds in accordance with law.

4.2. *Rebate Fund.* The City is hereby authorized to create and establish a special fund to be known as the Rebate Fund (the “*Rebate Fund*”), which, if created, shall be continuously held, invested, expended and accounted for in accordance with this Ordinance. Moneys in the Rebate Fund shall not be considered moneys held for the benefit of the owners of the Bonds. Except as provided in the Regulations, moneys in the Rebate Fund (including earnings and deposits therein) shall be held in trust for payment to the United States as required by the Rebate Provisions and by the Regulations and as contemplated under the provisions of this Ordinance.

4.3. *Records.* The City agrees to keep and retain or cause to be kept and retained until three years after the Bonds are paid in full adequate records with respect to the investment of all Gross Proceeds and amounts in the Rebate Fund. Such records shall include: (a) purchase price; (b) purchase date; (c) type of investment; (d) accrued interest paid; (e) interest rate; (f) principal amount; (g) maturity date; (h) interest payment date; (i) date of liquidation; and (j) receipt upon liquidation.

If any investment becomes Gross Proceeds on a date other than the date such investment is purchased, the records required to be kept shall include the fair market value of such investment on the date it becomes Gross Proceeds. If any investment is retained

after the date the last Bond is retired, the records required to be kept shall include the fair market value of such investment on the date the last Bond is retired. Amounts or investments will be segregated whenever necessary to maintain these records.

4.4. *Fair Market Value; Certificates of Deposit and Investment Agreement.* In making investments of Gross Proceeds, the City shall take into account prudent investment standards and the date on which such moneys may be needed. Except as provided in the next sentence, all amounts that constitute Gross Proceeds shall be invested at all times to the greatest extent practicable, and no amounts may be held as cash or be invested in zero yield investments other than obligations of the United States purchased directly from the United States. In the event moneys cannot be invested, other than as provided in this sentence due to the denomination; price or availability of investments, the amounts shall be invested in an interest-bearing deposit of a bank with a yield not less than that paid to the general public or held uninvested to the minimum extent necessary.

Gross Proceeds that are invested in certificates of deposit or in GICs shall be invested only in accordance with the following provisions:

(a) Investments in certificates of deposit of banks or savings and loan associations that have a fixed interest rate, fixed payment schedules and substantial penalties for early withdrawal shall be made only if either (i) the Yield on the certificate of deposit (A) is not less than the Yield on reasonably comparable direct obligations of the United States and (B) is not less than the highest Yield that is published or posted by the provider to be currently available from the provider on reasonably comparable certificates of deposit offered to the public or (ii) the investment is an investment in a GIC and qualifies under paragraph (b) below.

(b) Investments in GICs shall be made only if:

(i) the bid specifications are in writing, include all material terms of the bid and are timely forwarded to potential providers (a term is material if it may directly or indirectly affect the yield on the GIC);

(ii) the terms of the bid specifications are commercially reasonable (a term is commercially reasonable if there is a legitimate business purpose for the term other than to reduce the yield on the GIC);

(iii) all bidders for the GIC have equal opportunity to bid so that, for example, no bidder is given the opportunity to review other bids (a last look) before bidding;

(iv) any agent used to conduct the bidding for the GIC does not bid to provide the GIC;

(v) at least three of the providers solicited for bids for the GIC are reasonably competitive providers of investments of the type purchased

(i.e., providers that have established industry reputations as competitive providers of the type of investments being purchased);

(vi) at least three of the entities that submit a bid do not have a financial interest in the Bonds;

(vii) at least one of the entities that provided a bid is a reasonably competitive provider that does not have a financial interest in the Bonds;

(viii) the bid specifications include a statement notifying potential providers that submission of a bid is a representation that the potential provider did not consult with any other provider about its bid, that the bid was determined without regard to any other formal or informal agreement that the potential provider has with the City or any other person (whether or not in connection with the Bonds) and that the bid is not being submitted solely as a courtesy to the City or any other person for purposes of satisfying the federal income tax requirements relating to the bidding for the GIC;

(ix) the determination of the terms of the GIC takes into account the reasonably expected deposit and drawdown schedule for the amounts to be invested;

(x) the highest-yielding GIC for which a qualifying bid is made (determined net of broker's fees) is in fact purchased; and

(xi) the obligor on the GIC certifies the administrative costs that it is paying or expects to pay to third parties in connection with the GIC.

(c) If a GIC is purchased, the City will retain the following records with its bond documents until three years after the Bonds are redeemed in their entirety:

(i) a copy of the GIC;

(ii) the receipt or other record of the amount actually paid for the GIC, including a record of any administrative costs paid, and the certification under subparagraph (b)(xi) of this paragraph;

(iii) for each bid that is submitted, the name of the person and entity submitting the bid, the time and date of the bid, and the bid results; and

(iv) the bid solicitation form and, if the terms of the GIC deviated from the bid solicitation form or a submitted bid is modified; a brief statement explaining the deviation and stating the purpose for the deviation.

Moneys to be rebated to the United States shall be invested to mature on or prior to the anticipated rebate payment date. All investments made with Gross Proceeds shall be

bought and sold at fair market value. The fair market value of an investment is the price at which a willing buyer would purchase the investment from a willing seller in a bona fide, arm's length transaction. Except for investments specifically described in this section and United States Treasury obligations that are purchased directly from the United States Treasury, only investments that are traded on an established securities market, within the meaning of regulations promulgated under Section 1273 of the Code, will be purchased with Gross Proceeds. In general, an "established securities market" includes: (i) property that is listed on a national securities exchange, an interdealer quotation system or certain foreign exchanges; (ii) property that is traded on a Commodities Futures Trading Commission designated board of trade or an interbank market; (iii) property that appears on a quotation medium; and (iv) property for which price quotations are readily available from dealers and brokers. A debt instrument is not treated as traded on an established market solely because it is convertible into property which is so traded.

An investment of Gross Proceeds in an External Commingled Fund shall be made only to the extent that such investment is made without an intent to reduce the amount to be rebated to the United States Government or to create a smaller profit or a larger loss than would have resulted if the transaction had been at arm's length and had the rebate or Yield restriction requirements not been relevant to the City. An investment of Gross Proceeds shall be made in a Commingled Fund other than an External Commingled Fund only if the investments made by such Commingled Fund satisfy the provisions of this paragraph.

A single investment, or multiple investments awarded to a provider based on a single bid may not be used for funds subject to different, rules relating to rebate or yield restriction.

The foregoing provisions of this paragraph satisfy various safe harbors set forth in the Regulations relating to the valuation of certain types of investments. The safe harbor provisions of this paragraph are contained herein for the protection of the City, who has covenanted not to take any action to adversely affect the tax-exempt status of the interest on the Bonds. The City will contact Bond Counsel if it does not wish to comply with the provisions of this paragraph and forego the protection provided by the safe harbors provided herein.

4.5. *Arbitrage Elections.* The Mayor, City Clerk and City Treasurer are hereby authorized to execute one or more elections regarding certain matters with respect to arbitrage.

4.6. *Small Issuer Exception.* The City is a governmental unit that has the power to impose a tax or to cause another entity to impose a tax of general applicability that, when collected, may be used for the governmental purposes of the City. The power to impose such tax is not contingent on approval by another governmental unit; a tax of general applicability is one that is not limited to a small number of persons. The City is not subject to Control by any other governmental unit or political subdivision. None of the Bonds is or will be a "private activity bond" (as defined in Section 141 of the Code). Ninety-five

percent or more of the Sale Proceeds will be used for local governmental activities of the City. None of the City, any entity that issues tax-exempt bonds on behalf of the City or any entity subject to Control by the City will issue, during the calendar year 2026, any tax-exempt bonds (other than current refunding bonds to the extent of the aggregate face amount of the tax-exempt bonds currently refunded thereby) in an aggregate face amount in excess of the *maximum aggregate face amount* (as hereinafter defined). As used herein, (a) "tax-exempt bonds" means obligations of any kind, the interest on which is excludable from gross income of the holders or owners thereof for federal income tax purposes pursuant to Section 103 of the Code but not including (i) "private activity bonds" (as defined in Section 141 of the Code) or (ii) obligations issued to refund another obligation if it is issued not more than 90 days before the redemption of the refunded obligation to the extent the amount of the refunding obligation does not exceed the outstanding amount of the refunded obligation, (b) "aggregate face amount" means, if an issue has more than a De minimis Amount of Original Issue Discount or Premium, the issue price of the issue and otherwise means the face amount of the issue and (c) "maximum aggregate face amount" means, the sum of (i) \$5,000,000 and (ii) the aggregate face amount of bonds issued during the calendar year that are allocable to financing construction expenditures for public school facilities, but in no event can the *maximum aggregate face amount* exceed \$10,000,000. As of the date hereof, no tax-exempt bonds or other obligations (other than the Bonds) have been issued by the City, any entity that issues tax-exempt bonds on behalf of the City or any entity subject to Control by the City during the calendar year 2026. The City does not reasonably expect that it, any entity that issues tax-exempt bonds on behalf of the City or any entity subject to Control by the City (including but not limited to the City) will issue any such tax-exempt bonds or other obligations within calendar year 2026. Therefore, subject to compliance with all the terms and provisions hereof, the City is excepted from the required rebate of arbitrage profits on the Bonds under Section 148(f)(4)(D) of the Code and from the terms and provisions of this Ordinance that need only be complied with if the City is subject to the arbitrage rebate requirement.

5.1. *Issue Price.* For purposes of determining the Yield on the Bonds, the purchase price of the Bonds is equal to the first offering price (including accrued interest) at which the Underwriter sold at least ten percent of the principal amount of each maturity of the Bonds to the public (excluding bond houses, brokers or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers). All of the Bonds have been the subject of a bona fide initial offering to the public (excluding bond houses, brokers, or similar persons or organizations acting in the capacity of underwriters, placement agents or wholesalers) at prices equal to those set forth in the Official Statement. Based upon prevailing market conditions, such prices are not less than the fair market value of each Bond as of the sale date for the Bonds.

5.2. *Yield Limits.* Except as provided in paragraph (a) or (b), all Gross Proceeds shall be invested at market prices and at a Yield (after taking into account any Yield Reduction Payments) not in excess of the Yield on the Bonds plus, if only amounts in the Project Fund are subject to this yield limitation, 1/8th of one percent.

The following may be invested without Yield restriction:

(a) (i) amounts on deposit in the Bond Fund (except for capitalized interest) that have not been on deposit under the Ordinance for more than 13 months, so long as the Bond Fund continues to qualify as a bona fide debt service fund as described in paragraph 3.2 hereof;

(ii) amounts on deposit in the Project Fund that are reasonably expected to pay for the costs of the Project, costs of issuance of the Bonds, or interest on the Bonds during the three-year period beginning on the date of issue of the Bonds prior to three years after Closing;

(iii) amounts in the Bond Fund to be used to pay capitalized interest on the Bonds prior to the earlier of three years after Closing or the payment of all capitalized interest;

(b) (i) An amount not to exceed the lesser of \$100,000 or five percent of the Sale Proceeds;

(ii) amounts invested in Qualified Tax-Exempt Obligations (to the extent permitted by law and this Ordinance);

(iii) amounts in the Rebate Fund;

(iv) all amounts other than Sale Proceeds for the first 30 days after they become Gross Proceeds; and

(v) all amounts derived from the investment of Sale Proceeds or investment earnings thereon for a period of one year from the date received.

5.3. *Continuing Nature of Yield Limits.* Except as provided in paragraph 7.9, once moneys are subject to the Yield limits of paragraph 5.2 hereof, such moneys remain Yield restricted until they cease to be Gross Proceeds.

5.4. *Federal Guarantees.* Except for investments meeting the requirements of paragraph 5.2(a) hereof, investments of Gross Proceeds shall not be made in (a) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury, or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank, as amended (*e.g.*, Refcorp Strips)); or (b) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code). Except as otherwise permitted in the immediately prior sentence and in the Regulations, no portion of the payment of principal or, interest on the Bonds or any credit enhancement or liquidity device relating to the foregoing is or will be guaranteed, directly or indirectly (in whole or in part), by the United States (or any agency or instrumentality thereof), including a lease, incentive payment, research or output contract or any similar arrangement, agreement or understanding with the United States or any agency or instrumentality thereof. No portion of the Gross Proceeds has been or will be used to make loans the payment of principal or interest with respect to which is or will be guaranteed (in whole or in part) by the United States (or any agency or instrumentality

thereof). Neither this paragraph nor paragraph 5.5 hereof applies to any guarantee by the Federal Housing Administration, the Federal National Mortgage Association, the Federal Home Loan Mortgage Corporation, the Government National Mortgage Association, the Student Loan Marketing Association or the Bonneville Power Administration pursuant to the Northwest Power Act (16 U.S.C. 839d) as in effect on the date of enactment of the Tax Reform Act of 1984.

5.5. *Investments After the Expiration of Temporary Periods, Etc.* After, the expiration of the temporary period set forth in paragraph 5.2(a)(ii), amounts in the Project Fund may not be invested in (i) federally insured deposits or accounts (as defined in Section 149(b)(4)(B) of the Code) or (ii) investments constituting obligations of or guaranteed, directly or indirectly, by the United States (except obligations of the United States Treasury or investments in obligations issued pursuant to Section 21B(d)(3) of the Federal Home Loan Bank Act, as amended (e.g., Refcorp Strips). Any other amounts that are subject to the yield limitation in paragraph 5.2 because paragraph 5.2(a) is not applicable and amounts not subject to yield restriction only because they are described in paragraph 5.2(b), are also subject to the limitation set forth in the preceding sentence.

6.1. *Payment and Use Tests.* (a) No more than five percent' of the Sale Proceeds, plus investment earnings thereon, will be used, directly or indirectly, in whole or in part, in any Private Business Use. The City acknowledges that, for purposes of the preceding sentence, Gross Proceeds used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) or invested in a reserve or replacement fund must be ratably allocated among all the purposes for which Gross Proceeds are being used.

(b) The payment of more than 10 percent of the principal of or the interest on the Bonds will not be, directly or indirectly (i) secured by any interest in (A) property used or to be used in any Private Business Use or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not to the City or a member of the same Controlled Group as the City) in respect of property, or borrowed money, used or to be used in any Private Business Use.

(c) No more than the lesser of five percent of the sum of the Sale Proceeds and investment earnings thereon or \$5,000,000 will be used, directly or indirectly, to make or finance loans to any persons. The City acknowledges that, for purposes of the preceding sentence, Gross Proceeds used to pay costs of issuance and other common costs (such as capitalized interest and fees paid for a qualified guarantee or qualified hedge) or invested in a reserve or replacement fund must be ratably allocated among all the purposes for which Gross Proceeds are being used.

(d) No user of the Project other than a state or local governmental unit will use more than five percent of the Project, in the aggregate, on any basis other than the same basis as the general public.

6.2. *I.R.S. Form 8038-G.* The information contained in the Information Return for Tax-Exempt Governmental Obligations, Form 8038-G, is true and complete. The City will file Form 8038-G (and all other required information reporting forms) in a timely manner.

6.3. *Bank Qualification.* Pursuant to Section 265(b)(3) of the Internal Revenue Code of 1986, as amended, the City as applicable at the time of sale and delivery of Bonds shall designate such Bonds as “qualified tax-exempt obligations” as defined in Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The City by any such designation represents that the reasonably anticipated amount of tax-exempt obligations that will be issued by the City and all subordinate entities (of which there are none) of the City during the calendar year in which the Bonds are issued will not exceed \$10,000,000 within the meaning of or to be taken into account under Section 265(b)(3) of the Internal Revenue Code of 1986, as amended. The City by any such designation covenants that in that connection it will not so designate and issue more than \$10,000,000 aggregate principal amount of tax-exempt obligations in such calendar year. For purposes of this Section, the term “tax-exempt obligations” includes “qualified 501(c)(3) Bonds” (as defined in the Section 145 of the Internal Revenue Code of 1986, as amended) but does not include other “private activity bonds” (as defined in Section 141 of the Internal Revenue Code of 1986, as amended).

7.1. *Termination; Interest of City in Rebate Fund.* The terms and provisions set forth in this Section shall terminate at the later of (a) 75 days after the Bonds have been fully paid and retired or (b) the date on which all amounts remaining on deposit in the Rebate Fund, if any, shall have been paid to or upon the order of the United States and any other payments, if any, required to satisfy the Rebate Provisions of the Code have been made to the United States. Notwithstanding the foregoing, the provisions of paragraphs 4.3, 4.4(c) and 7.9 hereof shall not terminate until the third anniversary of the date the Bonds are fully paid and retired.

7.2. *Separate Issue.* Since a date that is 15 days prior to the date of sale of the Bonds by the City to the Underwriter, neither the City nor any member of the same Controlled Group as the City has sold or delivered any tax-exempt obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds. Neither the City nor any member of the same Controlled Group as the City will sell or deliver within 15 days after the date of sale of the Bonds any tax-exempt obligations other than the Bonds that are reasonably expected to be paid out of substantially the same source of funds as the Bonds.

7.3. *No Sale of the Project.* (a) Other than as provided in the next sentence, neither the Project nor any portion thereof has been, is expected to be, or will be sold or otherwise disposed of, in whole or in part, prior to the earlier of (i) the last date of the reasonably expected economic life to the City of the property (determined on the date of issuance of the Bonds) or (ii) the last maturity date of the Bonds. The City may dispose of personal property in the ordinary course of an established government program prior to the earlier of (i) the last date of the reasonably expected economic life to the City of the

property (determined on the date of issuance of the Bonds) or (ii) the last maturity of the Bonds, provided: (A) the weighted average maturity of the Bonds financing the personal property is not greater than 120 percent of the reasonably expected actual use of that property for governmental purposes; (B) the City reasonably expects on the issue date that the fair market value of that property on the date of disposition will be not greater than 25 percent of its cost; (C) the property is no longer suitable for its governmental purposes on the date of disposition; and (D) the City deposits amounts received from the disposition in a commingled fund with substantial tax or other governmental revenues and the City reasonably expects to spend the amounts on governmental programs within six months from the date of the commingling.

(b) The City acknowledges that if Bond-financed property is sold or otherwise disposed of in a manner contrary to (a) above, such sale or disposition may constitute a “deliberate action” within the meaning of the Regulations that may require remedial actions to prevent the Bonds from becoming private activity bonds. The City shall promptly contact Bond Counsel if a sale or other disposition of Bond-financed property is considered by the City.

7.4. *Purchase of Bonds by City.* The City will not purchase any of the Bonds except to cancel such Bonds.

7.5. [Reserved].

7.6. *Registered Form.* The City recognizes that Section 149(a) of the Code requires the Bonds to be issued and to remain in fully registered form in order that interest thereon be exempt from federal income taxation under laws in force at the time the Bonds are delivered. In this connection, the City agrees that it will not take any action to permit the Bonds to be issued in or converted into, bearer or coupon form.

7.7. *First Amendment.* The City acknowledges and agrees that it will not use, or allow the Project to be used, in a manner that is prohibited by the Establishment of Religion Clause of the First Amendment to the Constitution of the United States of America or by any comparable provisions of the Constitution of the State of Illinois.

7.8. *Future Events.* The City acknowledges that any changes in facts or expectations from those set forth herein may result in different Yield restrictions or rebate requirements from those set forth herein. The City shall promptly contact Bond Counsel if such changes do occur.

7.9. *Records Retention.* The City agrees to keep and retain or cause to be kept and retained sufficient records to support the continued exclusion of the interest paid on the Bonds from federal income taxation, to demonstrate compliance with the covenants in this Agreement, and to show that all tax-exempt Bond related tax returns related to the Bonds submitted or required to be submitted to the Internal Revenue Service are correct and timely filed. Such records shall include, but are not limited to, basic records relating to the Bond transaction (including this Ordinance and the Bond Counsel opinion);

documentation evidencing the expenditure of Bond proceeds; documentation evidencing the use of Bond-financed property by public and private entities (including copies of leases, management contracts and research agreements); documentation evidencing all sources of payment or security for the Bonds; and documentation pertaining to any investment of Bond proceeds (including the information required under Sections 4.3 and 4.4 hereof and in particular information related to the purchase and sale of securities, SLGS subscriptions, yield calculations for each class of investments if any, actual investment income received from the investment of proceeds, guaranteed investment contracts and documentation of any bidding procedure related thereto and any fees paid for the acquisition or management of investments and any rebate calculations). Such records shall be kept for as long as the Bonds are outstanding, plus the period ending three years after the latest of the final payment date of the Bonds or the final payment date of any obligations or series of obligations issued to refund directly or indirectly all or any portion of the Bonds.

7.10. *Permitted Changes; Opinion of Bond Counsel.* The Yield restrictions contained in paragraph 5.2 or any other restriction or covenant contained herein need not be observed or may be changed if such nonobservance or change will not result in the loss of any exemption for the purpose of federal income taxation to which interest on the Bonds is otherwise entitled and the City receives an opinion of Bond Counsel to such effect. Unless the City otherwise directs, such opinion shall be in such form and contain such disclosures and disclaimers as may be required so that such opinion will not be treated as a covered opinion or a state or local bond opinion for purposes of Treasury Department regulations governing practice before the Internal Revenue Service (Circular 230) 31 C.F.R. pt. 10.

7.11. *Successors and Assigns.* The terms, provisions, covenants and conditions of this Section shall bind and inure to the benefit of the respective successors and assigns of the City.

7.12. *Expectations.* The City (including the undersigned officer) has reviewed the facts, estimates and circumstances presented by the City and other persons in existence on the date of issuance of the Bonds. Such facts, estimates and circumstances, together with the expectations of the City as to future events, are set forth in summary form in this Section. Such facts and estimates are true and are not incomplete in any material respect. On the basis of the facts and estimates contained herein, the City has adopted the expectations contained herein. On the basis of such facts, estimates, circumstances and expectations, it is not expected that Sale Proceeds, investment earnings thereon or any other moneys or property will be used in a manner that will cause the Bonds to be arbitrage bonds within the meaning of the Rebate Provisions and the Regulations. Such expectations are reasonable and there are no other facts, estimates and circumstances that would materially change such expectations.

The City also agrees and covenants with the purchasers and holders of the Bonds from time to time outstanding that, to the extent possible under Illinois law, it will comply with whatever

federal tax law is adopted in the future which applies to the Bonds and affects the tax-exempt status of the Bonds.

The City Council hereby authorizes the officials of the City responsible for issuing the Bonds, the same being the Mayor, City Clerk and City Treasurer, to make such further covenants and certifications as may be necessary to assure that the use thereof will not cause the Bonds to be arbitrage bonds and to assure that the interest in the Bonds will be exempt from federal income taxation. In connection therewith, the City and the City Council further agree: (a) through their officers, to make such further specific covenants, representations as shall be truthful, and assurances as may be necessary or advisable; (b) to consult with counsel approving the Bonds and to comply with such advice as may be given; (c) to pay to the United States, as necessary, such sums of money representing required rebates of excess arbitrage profits relating to the Bonds; (d) to file such forms, statements, and supporting documents as may be required and in a timely manner; and (e) if deemed necessary or advisable by their officers, to employ and pay fiscal agents, financial advisors, attorneys, and other persons to assist the City in such compliance.

Section 16. 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 17. Duties of Bond Registrar. If requested by the Bond Registrar, the Mayor and City Clerk of the City Council 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 Bonds as provided herein;

(d) to cancel and/or destroy Bonds which have been paid at maturity or upon earlier redemption 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 18. Record-Keeping Policy and Post-Issuance Compliance Matters. It is necessary and in the best interest of the City to maintain sufficient records to demonstrate compliance with its covenants and expectations to ensure the appropriate federal tax status for the Bonds or other bonds or debt obligations of the City (each a “*Tax Advantaged Obligation*” and, collectively, the “*Tax-Advantaged Obligations*”), certain of which the interest on which is excludable from “gross income” for federal income tax purposes (including the Bonds, the “*Tax-Exempt Obligations*”). Further, it is necessary and in the best interest of the City that (i) the Board adopt policies with respect to record-keeping and (ii) the Compliance Officer (as hereinafter defined) shall at least annually review the City’s Contracts (as hereinafter defined) to determine whether the Tax-Advantaged Obligations comply with the federal tax requirements applicable to each issue of the Tax-Advantaged Obligations.

(a) *Compliance Officer is Responsible for Records.* The City Treasurer (the “*Compliance Officer*”) is hereby designated as the keeper of all records of the City with respect to each issue of the Tax-Advantaged Obligations, and such officer shall report to the City Council at least annually that he/she has all of the required records in his/her possession or is taking appropriate action to obtain or recover such records.

(b) *Closing Transcripts.* For each issue of Tax-Advantaged Obligations, the Compliance Officer shall receive, and shall keep and maintain, a true, correct and complete counterpart of each and every document and agreement delivered in connection with the issuance of the Tax-Advantaged Obligations, including without limitation (i) the proceedings of the City authorizing the Tax-Advantaged Obligations, (ii) any offering document with respect to the offer and sale of the Tax-Advantaged Obligations, (iii) any legal opinions with respect to the Tax-Advantaged Obligations delivered by any lawyers, and (iv) all written representations of any person delivered in connection with the issuance and initial sale of the Tax-Advantaged Obligations.

(c) *Arbitrage Rebate Liability.* The Compliance Officer shall review the agreements of the City with respect to each issue of Tax-Advantaged Obligations and shall prepare a report for the City Council stating whether or not the City has any rebate liability to the U.S. Treasury and setting forth any applicable exemptions that each issue of Tax-Advantaged Obligations may have from rebate liability. Such report shall be updated annually and delivered to the City Council.

(d) *Recommended Records.* The Compliance Officer shall review the records related to each issue of Tax-Advantaged Obligations and shall determine what requirements the City must meet in order to maintain the tax-exemption of interest paid on the Tax-Exempt Obligations. The Compliance Officer shall then prepare a list of the contracts, requisitions, invoices, receipts and other information that may be needed in order to establish that the interest paid on the Tax-Exempt Obligations is entitled to be excluded from “gross income” for federal income tax purposes. Notwithstanding any other policy of the City, such retained records shall be kept for as long as the Tax-Advantaged Obligations relating to such records (and any obligations issued to refund the Tax-Advantaged Obligations) are outstanding, plus three years, and shall at least include:

(i) complete copies of the bond transcripts delivered when any issue of Tax-Advantaged Obligations is initially issued and sold;

(ii) copies of account statements showing the disbursements of all bond proceeds for their intended purposes;

(iii) copies of account statements showing all investment activity of any and all accounts in which the proceeds of any issue of Tax-Advantaged Obligations has been held;

(iv) copies of all bid requests and bid responses used in the acquisition of any special investments used for the proceeds of any issue of Tax-Advantaged Obligations, including any swaps, swaptions, or other financial derivatives entered into in order to establish that such instruments were purchased at fair market value;

(v) copies of any subscriptions to the U.S. Treasury for the purchase of State and Local Government Series (SLGS) obligations;

(vi) any calculations of liability for arbitrage rebate that is or may become due with respect to any issue of Tax-Advantaged Obligations, and any calculations prepared to show that no arbitrage rebate is due, together, if applicable, with account statements or cancelled checks showing the payment of any rebate amounts to the U.S. Treasury together with any applicable IRS Form 8038-T; and

(vii) copies of all contracts and agreements of the City, including any leases (the “*Contracts*”), with respect to the use of any property owned by the City and acquired or financed with the proceeds of the Tax-Advantaged Obligations, any part of which property is used by a private person at any time when such Tax-Advantaged Obligations are or have been outstanding.

(e) *IRS Examination.* In the event the Internal Revenue Service (“*IRS*”) commences an examination of any issue of Tax-Advantaged Obligations, the Compliance Officer shall inform the City Council of such event and is authorized to respond to inquiries of the IRS, and to hire outside, independent professional counsel to assist in the response to the examination.

(f) *Annual Review.* The Compliance Officer shall conduct an annual review of the Contracts and other records to determine for each issue of Tax-Advantaged Obligations then outstanding whether each such issue complies with the federal tax requirements applicable to such issue, including restrictions on private business use, private payments and private loans. The

Compliance Officer is expressly authorized, without further official action of the City Council, to hire outside, independent professional counsel to assist in such review. To the extent that any violations or potential violations of federal tax requirements are discovered incidental to such review, the Compliance Officer may make recommendations or take such actions as the Compliance Officer shall reasonably deem necessary to assure the timely correction of such violations or potential violations through remedial actions described in the United States Treasury Regulations, or the Tax-Exempt Bonds Voluntary Closing Agreement Program described in Treasury Notice 2008-31 or similar program instituted by the IRS.

(g) *Amendment and Waiver.* The City may amend this Section and any provision of this Section may be waived, without the consent of the holders of any Tax-Advantaged Obligations and as authorized by passage of an ordinance by the City Council.

Section 19. 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.

ADOPTED: January 5, 2026

AYES:

NAYS:

ABSENT:

Approved January 5, 2026.

Mayor

ATTEST:

City Clerk

Recorded in the City Records on January 5, 2026.

Alderman _____ moved and Alderman _____ seconded the motion that said ordinance as presented and read by title be adopted.

After a full and complete discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt said ordinance.

Upon the roll being called, the following Aldermen voted AYE: _____

NAY: _____

Whereupon the Mayor declared the motion carried and said ordinance was adopted and approved by the Mayor, and the Mayor directed the City Clerk to record the same in full in the records of the City Council of the City of Lincoln, Logan County, Illinois, which was done.

Other business not pertinent to the adoption of said ordinance was duly transacted at the meeting.

Upon motion duly made, seconded and carried, the meeting was adjourned.

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF LOGAN)

CERTIFICATION OF MINUTES AND ORDINANCE

I, the undersigned, do hereby certify that I am the duly qualified and acting City Clerk of the City of Lincoln, Logan County, Illinois (the “City”), and as such official I am the keeper of the records and files of the City Council of the City (the “City Council”).

I do further certify that the foregoing constitutes a full, true and complete transcript of the minutes of the meeting of the City Council held on the 5th day of January, 2026, insofar as same relates to the adoption of Ordinance No. _____ entitled:

AN ORDINANCE providing for the issue of an amount not to exceed \$500,000 General Obligation Limited Tax Bonds, Series 2026, of the City of Lincoln, Logan County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

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 City 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 City Council, at least 48 hours in advance of the holding of said meeting, that said agenda contained a separate specific item concerning the proposed adoption of said ordinance, 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 City Council have 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 5th day of January, 2026.

City Clerk

STATE OF ILLINOIS)
) SS
COUNTY OF LOGAN)

FILING CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting County Clerk of Logan County, Illinois, and as such official I do further certify that on the ____ day of _____, 2026, there was filed in my office a duly certified copy of Ordinance No. _____ entitled:

AN ORDINANCE providing for the issue of an amount not to exceed \$500,000 General Obligation Limited Tax Bonds, Series 2026, of the City of Lincoln, Logan County, Illinois, and for the levy of a direct annual tax to pay the principal and interest on said bonds.

duly adopted by the City Council of the City of Lincoln, Logan County, Illinois, on the 5th day of January, 2026, and that the same has been deposited in 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 _____, 2026.

(SEAL)

County Clerk of Logan County, Illinois

ORDINANCE NO.
AN ORDINANCE CREATING 3-27
OF THE LINCOLN CITY CODE

THIS ORDINANCE is made and adopted by the CITY COUNCIL OF THE CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS, at a regular meeting held in the City Council Chambers in said City on the ____ day of _____, 2025, WITNESSETH:

WHEREAS, the CITY OF LINCOLN is a municipal corporation located in Logan County, Illinois; and

WHEREAS, the CITY OF LINCOLN provides within Article III of the City Code regulations to certain types of businesses; and

WHEREAS, the CITY COUNCIL of the CITY OF LINCOLN acknowledges that there has been a rise in massage parlors opening in Central Illinois that are more akin to prostitution than their namesake; and

WHEREAS, the CITY OF LINCOLN believes it is in the best interest of the Citizens of Lincoln that these places be licensed and inspected by the City of Lincoln to ensure these respective massage parlors stay within their intended use;

NOW, THEREFORE, IT IS HEREBY ORDAINED by the CITY COUNCIL OF THE CITY OF LINCOLN, as follows:

1. That Title 3 Chapter 27 of the Lincoln City Code is hereby created to regulate massage establishments. (See Exhibit A).
2. Effective Date. That this Ordinance is effective 90 days upon passage.

The vote on the adoption of this Ordinance was as follows:

Alderman Parrott	_____	Alderwoman McClallen	_____
Alderman Clemons	_____	Alderman Bateman	_____
Alderwoman O'Donoghue	_____	Alderman Anderson	_____
Alderman Downs	_____		

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

Passed and approved this ____ day of _____, 2025.

CITY OF LINCOLN,

BY: _____

Tracy Welch, Mayor
City of Lincoln, Logan County, Illinois

ATTEST: _____ (SEAL)

City Clerk, City of Lincoln,
Logan County, Illinois

EXHIBIT A

3-27 MESSAGE ESTABLISHMENTS

3-27-1 Definitions.

For the purposes of this article, the following words and phrases shall have the meanings respectively ascribed to them by this section:

Applicant. Any person that applies for a massage establishment license.

Licensee. An applicant who has received a license from the city to operate a massage establishment.

Massage. Massage for the purposes of this article is intended to cover massage and bodywork services provided by massage therapists, bodywork practitioners, and other similar services that fit the definition, regardless of what the services or the person providing the services is called, unless expressly excluded by this article.

Massage establishment. Except as otherwise provided in this article, any establishment having a fixed place of business within the city that advertises or offers massage services, or where any person for any consideration whatsoever, engages in the practice of massage, or carries on, or permits to be engaged or carried on any massage services as defined in this article.

Massage therapist. Any person who, for any consideration whatsoever, engages in the practice of massage as defined in this article, and who holds a valid license from the Illinois Department of Finance and Professional Regulation, or possesses written documentation of exemption from licensing or certification under the Illinois Massage Licensing Act (225 ILCS 57/1 et seq.) to perform massage services. For the purposes of this article, "massage therapist" shall include practitioners of Asian bodywork approaches and other similar practitioners exempt from licensing under the Illinois Massage Licensing Act (225 ILCS 57/25).

3-27-2 License required.

It shall be unlawful for any person to advertise, offer, engage in, conduct or carry on, or to permit to be advertised, offered, engaged in, conducted or carried on, in or upon any premises in the city, the operation of a massage establishment as herein defined, without first having obtained a license from the city pursuant to the provisions of this article, with the exception of the following:

- A. Hospitals, nursing homes, medical facilities, or offices at which physicians, surgeons, chiropractors, osteopaths, podiatrists, naprapaths, occupational therapists, physical therapists, or other health care workers duly licensed by the State of Illinois to provide, on an ongoing basis, professional health services to individuals including, but not limited to, services permitted by the Illinois Occupational Therapy Practices Act (335 ILCS 75/1 et seq.), the Illinois Physical Therapy Act (225 ILCS 90/1 et seq.), or the Illinois Naprapathic Practices Act (225 ILCS 63/1 et seq.)
- B. Athletic trainers for any athletic program of a private or public school, college, or any athletic team regularly organized or engaging in competition;
- C. Barbers, estheticians, and cosmetologists who are duly licensed by the State of Illinois, and who only provide massage services of the neck, back, face, scalp, hair, hands, and feet of a patron who is fully clothed;
- D. Any school or educational institution licensed to do business as a school or educational institution in the State of Illinois, or any school recognized by or approved by or affiliated with the American Massage Therapy Association, the National Certification Board for Therapeutic Massage and Bodywork, or the Federation of State Massage Therapy Boards, and which has for its purpose or offers courses in the teaching of the theory, method, profession, or work of bodywork or massage, including clinical externships, practicums or community services

3-27-3 Issuance of license for massage establishment.

- A. Upon receipt of a valid state a permit for the massage therapist (along with any employees who will conducting massage services) will be issued. The holder of the permit must show the City on a yearly basis that they maintain a valid state license.
- B. Every massage establishment license issued pursuant to this article shall expire on May 1 of each year, unless sooner suspended or revoked in accordance with this article.

3-27-4 Advertising.

No massage establishment granted a license under provisions of this article shall place, publish or distribute or cause to be placed, published, or distributed any advertising material that depicts any portion of the human body that would reasonably suggest or imply to prospective customers that any sexual activity is available or will be performed in connection with massage services, or that employees, managers, persons with supervisory authority, or massage therapists are dressed in any manner other than prescribed in this article, nor shall any massage establishment suggest or imply in the text

of such advertising that any sexual activity is available or will be performed in connection with massage services.

3-27-5 Inspections.

The Police Department may make an inspection of each massage establishment granted a license under the provisions of this article for the purposes of determining whether the laws of the State of Illinois and the Lincoln City Code are being complied with. Such inspections shall be made at reasonable times and in a reasonable manner. As a condition of the issuance of a license under this article, the licensee consents to walk-through inspections by authorized city employees, without notice, at any time during business hours. It shall be unlawful for any licensee to fail to allow such inspection officer access to the premises or to hinder such officer in any manner.

3-27-6 Display of license.

Every licensee shall display a valid license in a conspicuous place within the massage establishment so that the same may be readily seen by patrons or prospective customers entering the premises.

3-27-7 Revocation or suspension of license for massage establishment.

Any license issued for a massage establishment under this article may be revoked or suspended by the mayor of this Code, or any law is violated by the licensee or any massage therapist, employee, manager, person with supervisory authority, agent, or independent contractor of the licensee while at the massage establishment. For purposes of license revocation or suspension, the licensee shall be strictly liable for such violations, regardless of actual or constructive knowledge of such violations. It shall also be cause for revocation or suspension that the licensee has in any case where the licensee refused to permit any duly authorized police officer to inspect the licensed premises or the operations therein

3-27-8 Maintaining public nuisance.

Any building used, operated, or maintained as a massage establishment in violation of this article with the intentional, knowing, reckless or negligent permission of the owner, licensee, or person managing or supervising the building, together with all fixtures and other property used in violation of this article, are hereby declared to be a nuisance.

3-27-9 Penalty.

Any person in violation of this section shall be subject to a fine of not less than \$250 nor more than \$750 per offense. Each day the violation continues shall be a separate offense.

The city shall have the right to prohibit occupancy of any building being utilized in violation of this article.

ORDINANCE NO. _____
AN ORDINANCE ADDING A 'NO KNOCK' REGISTRY
REGARDING SOLICITATION

THIS ORDINANCE is made and adopted by the CITY COUNCIL OF THE CITY OF LINCOLN, LOGAN COUNTY, ILLINOIS, at a regular meeting held in the City Council Chambers in said City on the ____ day of _____, 2025, WITNESSETH:

WHEREAS, the CITY OF LINCOLN is a municipal corporation located in Logan County, Illinois; and

WHEREAS, the CITY OF LINCOLN previously amended their code regarding solicitation at the behest of the constituency in order to add more definite parameters for those engaging in solicitation; and

WHEREAS, the CITY COUNCIL has since allowed the posting of stickers that residents can put up on their properties, but have never officially memorialize it in the city code; and

WHEREAS, the CITY COUNCIL of the CITY OF LINCOLN further desires to add a 'no knock' registry to further enable the citizenry to make a choice if they would like solicitors to approach their residence;

NOW, THEREFORE, IT IS HEREBY ORDAINED by the CITY COUNCIL OF THE CITY OF LINCOLN, as follows:

1. That the real estate described above, is hereby annexed to the City of Lincoln, Logan County, Illinois.
2. That Title 3 Chapter 10 Part 4 is hereby amended to add an additional sentence where non commercial solicitation does not require a license. (See Exhibit A).
3. That Title 3 Chapter 10 Part 4 is amended to make solicitors who knock on doors with no solicitation signs or those who are on the 'no knock' list to be a prohibited act. (See Exhibit A).
4. That Title 3 Chapter 10 Part 5 is hereby created to add the 'no knock' list as an item that will exist in perpetuity on the city website. (See Exhibit A).
5. That Title 3 Chapter 10 Part 7 is hereby created to outline denial of application or revocation of license. (See Exhibit A).

6. That Title 3 Chapter 10 Part 8 is hereby created to acknowledge the constitutional free speech rights of solicitation. (See Exhibit A).

7. All subsequent parts in their chapter will have their numerical value adjusted up one number. (See Exhibit A).

8. Effective Date. That this Ordinance is effective immediately upon passage of the same.

The vote on the adoption of this Ordinance was as follows:

Alderman Parrott	_____	Alderwoman McClallen	_____
Alderman Anderson	_____	Alderman Clemons	_____
Alderwoman O'Donoghue	_____	Alderman Bateman	_____
Alderman Downs	_____		

Ayes: _____

Nays: _____

Abstain: _____

Absent: _____

Passed and approved this ____ day of _____, 2025.

CITY OF LINCOLN,

BY: _____

Tracy Welch, Mayor
City of Lincoln, Logan County, Illinois

ATTEST: _____ (SEAL)

City Clerk, City of Lincoln,
Logan County, Illinois

EXHIBIT A

§ 3-10-1 Definition, License Required.

[Ord. 2016-846, 1-4-2016]

A "solicitor" is defined as a canvasser, peddler, salesman or any other person, either as principal or agent, whether a resident of the City or not, traveling from house to house, or to any other place in the City, soliciting, taking or attempting to take orders for the sale of goods, wares, merchandise or personal property of any nature whatsoever for future delivery, or for services to be furnished or performed in the future, whether or not such individual has, carries, or exposes for sale a sample of the subject of the sale, or he or she is collecting advance payments on such sales or not; provided, that such definition shall include any person, who for himself or another, hires, leases, uses or occupies any building, structure, tent, vehicle, hotel room, apartment, shop or any other place within the City for the sole purpose of exhibiting samples and taking orders for future delivery. Before engaging in such business in the City, a solicitor shall obtain a license for himself and for each of his associates or assistants, if any, so engaged. Any person meeting this definition that solicits on behalf of any civic, charitable, and/or nonprofit group shall not be defined as a solicitor nor be required to obtain a license for the same.

Persons engaged in non-commercial door-to-door solicitation are not required to obtain a license.

§ 3-10-4 License Prohibitions

[Ord. 2016-846, 1-4-2016]

It is hereby declared to be the policy of the city that the occupant or occupants of residences in the city shall make the determination of whether solicitors shall be, or shall not be, invited to their residence.

- (A) **Soliciting Without License:** It shall be unlawful for any person to solicit the sale of goods, wares, merchandise, produce or other articles or things in the City without first having obtained a license from the City to solicit and having a license in force at the time of pursuing such business.
- (B) **Stands Prohibited:** It shall be unlawful and it is hereby prohibited for any person to assume a place or to establish a temporary or fixed stand upon any of the streets, avenues, alleys, sidewalks or other public places of the City to sell or for the purpose of selling therefrom any goods, wares, merchandise, produce or other article or thing.
- (C) **Entering Private Houses; Fraud:** No person or solicitor shall enter any private house in the City without being admitted by some occupant thereof, nor shall he insist upon remaining on the premises or on showing his goods, wares or merchandise to any person, after being told by such person that he does not wish to see or purchase the same. No licensed solicitor shall practice fraud nor shall he misrepresent his wares or cheat or impose upon any person.

(D) No person may engage in door-to-door commercial solicitation at any residence without prior invitation from the occupant if the residence:

(1) Is registered with the city's "No Knock" registry for door-to-door solicitation; or

(2) Prominently displays a notice stating "No Solicitors" or "No Solicitation" on or near the main entrance or door to any dwelling unit in the residence.

(E) No person may engage in door-to-door commercial or non-commercial solicitation at any residence after the owner or occupant asks the person to leave the residence.

§ 3-10-5 "NO KNOCK" Registry.

(A) An occupant may prohibit door-to-door solicitation without prior invitation at his or her residence by registering the residence with the City Clerk.

(B) The City Clerk will maintain and publish a "No Knock" registry on the city's website, indicating those occupants prohibiting door-to-door solicitation at his or her residence.

§ 3-10-56 Hours.

[Ord. 2016-846, 1-4-2016; amended 6-3-2024 by Ord. No. 2024-1028]

Solicitors shall only operate within the City of Lincoln between the hours of 9:00 a.m. and 7:00 p.m.

§ 3-10-7 DENIAL OR REVOCATION OF A LICENSE.

(A) The City Clerk will send the applicant or licensee a "Notice of Denial" or "Notice of Revocation" for a door-to-door solicitation license by first class mail, if the City Clerk determines that the applicant or licensee:

(1) Made any material misrepresentation or false statement in the license application;

(2) Authorized, condoned, or knowingly tolerated any unlawful solicitation or any solicitation conducted under the license in such a manner as to constitute a nuisance, crime, fraud, trespass, invasion of privacy, or deceptive practice;

(3) Failed to comply with applicable laws, including registration with the Illinois Department of Revenue for the payment of sales tax;

(4) Failed to conduct and/or supervise solicitation activities under the license so as to reasonably ensure that such solicitation is in compliance with the terms of the license and with the provisions of this chapter;

(5) Was previously denied or had a solicitation permit revoked for violating this section, within the past 365 days; or

(6) Failed to pay a previous citation issued for violating this section.

(B) The revocation period shall be one year (365 days). At the end of one year, the person may apply for another solicitor's permit.

(C) The officers of the Lincoln Police Department have the authority to revoke the solicitors license for violations of this Chapter.

§ 3-10-8 CONSTITUTIONAL RIGHTS.

Nothing in this chapter shall be interpreted or enforced to deprive any person of any rights guaranteed under the constitutions of the state of Illinois or the United States.

§ 3-10-69 Penalty.

[Ord. 2016-846, 1-4-2016]

Any solicitor or person violating any of the provisions of this chapter shall be fined a minimum amount of \$75 and not to exceed \$750 for each offense; and each day such violation shall occur or continue shall constitute a separate offense.

MEMORANDUM

TO: Mayor and City Council Members
FROM: Ashley Metelko, Administrative Assistant
MEETING DATE: December 23, 2025
RE: Economic Development Commission Grant Approvals

Background:

On December 19, 2025, the Economic Development Grant Commission met and approved the following applications:

STRUCTURAL & FACADE GRANTS:

- 1. Katie Davis – 509 N. Chicago St.**
 - (2-3) Exterior Door Replacements.
 - Amount requested \$7,500.00

Approved amount by Economic Development Commission on Dec. 19, 2025:
Not to exceed \$7,500.00

Council Recommendation: Place on Regular City Council Meeting Agenda for Jan. 5, 2026.