

12/9/97

125-O-97

AN ORDINANCE

Authorizing City Manager to
Enter Into an Amended Easement Agreement With
the Church and Chicago Limited Partnership
for a Subsurface Caissons Encroachment in the
1600 Block of Chicago Avenue

WHEREAS, the Church and Chicago Limited Partnership ("Partnership") has erected a multi-story building on the property at 1630 Chicago Avenue; and

WHEREAS, the building is supported by underground vertical load supports, "caissons";
and

WHEREAS, four caissons are located so as to encroach on certain portions of the public alley right-of-way in the 1600 Block of Chicago Avenue; and

WHEREAS, the City, as grantor, and the Partnership, as grantee, entered into an easement agreement, approved by Ordinance 114-O-95 and recorded with the Office of the Cook County Recorder as document number 96162450, permitting the subsurface encroachment specified therein for a term of ninety-nine years;

WHEREAS, the Partnership has requested revision of the assignment clause of the aforesaid easement agreement and addition of a right to extend the agreement for one fifty-year period; and

WHEREAS, said amended easement agreement is in the best interest of the citizens of Evanston,

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF EVANSTON, COOK COUNTY, ILLINOIS:

SECTION 1: That the City Manager is hereby authorized and directed to sign the amended easement agreement marked as Exhibit A attached hereto and incorporated herein by reference.

SECTION 2: That the City Manager is hereby authorized and directed to negotiate any additional terms and conditions as are in the best interest of the City.

SECTION 3: That all ordinances or parts of ordinances in conflict herewith are hereby repealed.

SECTION 4: That this ordinance shall be in full force and effect from and after its passage, approval, and publication in the manner provided by law.

Introduced December 15, 1997

Adopted: December 15, 1997

Approved: December 18, 1997

Eraine A. Morton
Mayor

ATTEST:

Mary Morris
City Clerk

Approved as to form:
[Signature]
Corporation Counsel

Amendment to Document Recorded as no. 96162450
For Subsurface Caissons Encroachment in the
1600 Block of Chicago Avenue, Evanston, Illinois

This Amended Easement Agreement is made and entered into this _____ day of _____ 199____, by and between the City of Evanston, Cook County, Illinois, an Illinois municipal corporation (hereinafter, "Grantor") and the Church and Chicago Limited Partnership (hereinafter, "Grantee").

WHEREAS, Grantor and Grantee entered into an easement agreement on February 14, 1996, as authorized by Ordinance 114-0-95, pursuant to which Grantor granted to Grantee a subsurface easement to provide for the encroachment on Grantor's public alley right-of way in the 1600 Block of Chicago Avenue of four underground vertical load supports, "caissons", to distribute the weight of a multi-story structure which Grantee intended to build at 1630 Chicago Avenue;

WHEREAS, Grantee has since built the structure; and

WHEREAS, the aforesaid easement agreement was recorded as document no. 96162450 ("the easement agreement") with the Office of the Cook County Recorder; and

WHEREAS, Grantee has requested modification of paragraphs eight and nine of the aforesaid agreement regarding respectively the term of the easement and its assignability; and

WHEREAS, Grantor and Grantee are desirous of modifying paragraphs eight and nine of the easement agreement; and,

WHEREAS, Grantor's City Council authorized the instant amendment by Ordinance 125-0-97; and

NOW THEREFORE, in consideration of the foregoing recitals, the various covenants herein, and the sum of one dollar (\$1.00) and other good and valuable consideration, receipt of which are hereby acknowledged, it is agreed by and between the parties as follows:

1. That paragraph eight of the easement agreement is stricken in its entirety and this paragraph substituted therefor:

8. This easement is for a term of nine-nine (99) years. Upon application by Grantee to the City and approval by the City authorized by its City Council, (which shall not be unreasonably withheld or delayed) the Grantee shall have a one-time right to extend the term of the easement for an additional period of fifty (50) years. However, the term of such extension of this easement shall cease whenever and if the Grantee abandons the property or abandons the use of this easement. After the termination of this easement, (at the end of the original term of ninety-nine (99) years or after the termination of an extension of this easement, as set forth above), and at any such time as the City requires the actual use or occupancy of the public space occupied by the extensions of Grantee's improvements pursuant to this easement, Grantee or its successors and assigns shall then remove such extensions at its own expense and shall restore the easement property and surface.

2. That paragraph nine of the easement agreement is stricken in its entirety and this paragraph substituted therefor:

9. This easement is appurtenant to Grantee's property, shall be a covenant running with the property of Grantee and shall be assignable by the Grantee, provided that it is assigned simultaneously and together with a conveyance of the improvements located on the property of the Grantee which the easement benefits; otherwise it shall not be assigned.

3. All other provisions of the easement agreement remain in full force and effect.

Caissons Easement

IN WITNESS WHEREOF, the parties have executed this Amended Easement

Agreement at Evanston, Illinois, on the date first above written.

Accepted by:

CHURCH AND CHICAGO LIMITED
PARTNERSHIP

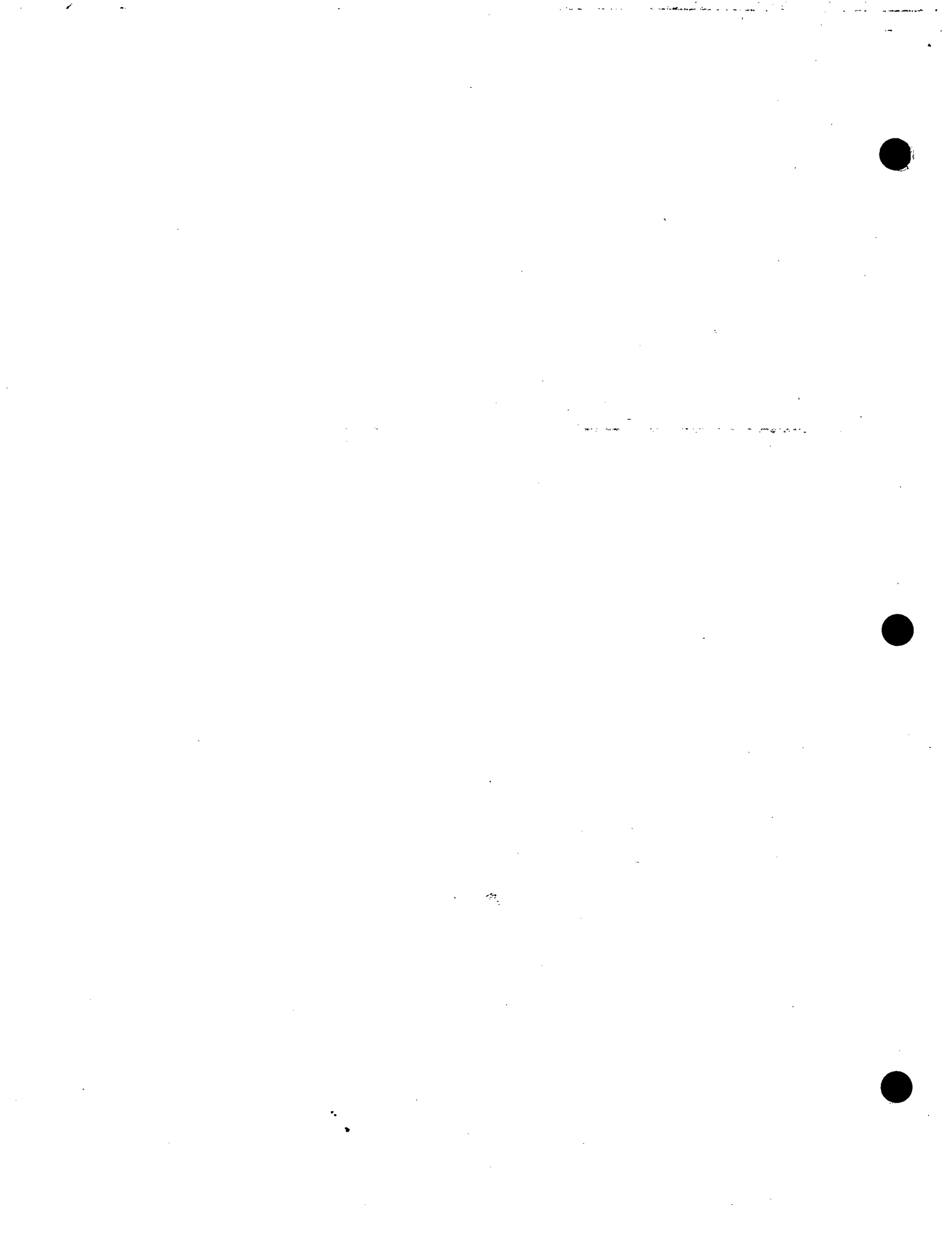
By: _____
Typed Name

Title: _____

CITY OF EVANSTON, COOK COUNTY,
ILLINOIS

By: 
Typed Name: Roger Crum

Title: City Manager



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 registered or certified 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 the name of the Bonds and 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 principal corporate trust office of the Paying Agent.

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. In lieu of the foregoing notice, so long as the Bonds are held in Book Entry Form, notice may be given as provided in the Letter of Representations, and the giving of such notice shall constitute a waiver by the Depository and its Nominee, as registered owner, of the foregoing notice. 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 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 cancelled and destroyed by the Bond Registrar and shall not be reissued. 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 9. Registration of Bonds; Persons Treated as Owners. The City shall cause books (the "*Bond Register*") for the registration and for the transfer of the Bonds as provided in this Ordinance to be kept at the principal corporate trust office of the Bond Registrar in the City of Chicago, Illinois, 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. Subject to the provisions of this Ordinance relating to the Bonds in Book Entry Form, 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 principal corporate trust office of 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 or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption. The execution by the City of any fully registered Bond shall constitute full and due authorization of such Bond, and the Bond Registrar shall thereby be authorized to authenticate, date and deliver such Bond; *provided, however*, the principal amount of 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 to any registered owner of Bonds 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.

Section 10. Form of Bond. The Bonds shall be in substantially the form hereinafter set forth; *provided, however*, that if the text of the Bond is to be printed in its entirety on the front side of the Bond, then the second paragraph of the front side of the Bond and the legend "See Reverse Side for Additional Provisions" shall be omitted and paragraphs on the

reverse side of the Bond shall be inserted immediately after the first paragraph on the front side.

[Form of Bond - Front Side]

REGISTERED
NO. _____

REGISTERED
\$ _____

UNITED STATES OF AMERICA
STATE OF ILLINOIS
COUNTY OF COOK
CITY OF EVANSTON
GENERAL OBLIGATION CORPORATE PURPOSE BOND, SERIES 1998

See Reverse Side for
Additional Provisions.

Interest Maturity Dated
Rate: Date: December 1, _____ Date: April 15, 1998 CUSIP: _____

Registered Owner:

Principal Amount: _____ Dollars

KNOW ALL PERSONS BY THESE PRESENTS that the City of Evanston, Cook County, Illinois, a municipality, home rule unit and political subdivision of the State of Illinois (the "City"), hereby acknowledges itself to owe and for value received promises to pay to the Registered Owner identified above, or registered assigns as hereinafter provided, on the Maturity Date identified above (subject to right of prior redemption as hereinafter stated), the Principal Amount identified above and to pay interest (computed on the basis of a 360-day year of twelve 30-day months) on such Principal Amount from the later of the Dated Date of this Bond identified above or from the most recent interest payment date to which interest has been paid or duly provided for, at the Interest Rate per annum identified above, such interest to be payable on June 1 and December 1 of each year, commencing

December 1, 1998, until the Principal Amount is paid or duly provided for. The principal of this Bond is payable in lawful money of the United States of America upon presentation hereof at the principal corporate trust office of American National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, as paying agent (the "*Paying Agent*"). Payment of interest shall be made to the Registered Owner hereof as shown on the registration books of the City maintained by American National Bank and Trust Company of Chicago, in the City of Chicago, Illinois, as bond registrar (the "*Bond Registrar*"), at the close of business on the applicable record date (the "*Record Date*"). The Record Date shall be the 15th day of the month preceding any regular interest payment date or a redemption on the first day of any month and the 15th day preceding any other interest payment date which may be occasioned by a redemption of Bonds on a day other than the first day of any month. Interest shall be paid by check or draft of the Paying Agent, 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, or as otherwise agreed by the City and the Bond Registrar and a qualified securities clearing corporation as depository, or nominee, for so long as this Bond shall be in Book Entry Form as provided for same.

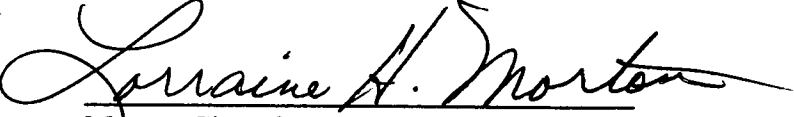
Reference is hereby made to the further provisions of this Bond set forth on the reverse hereof, and such further provisions shall for all purposes have the same effect as if set forth at this place.

It is hereby certified and recited that all conditions, acts and things required by the Constitution and Laws of the State of Illinois to exist or to be done precedent to and in the issuance of this Bond, have existed and have been properly done, happened and been performed in regular and due form and time as required by law; that the indebtedness of the

City, represented by the Bonds, and including all other indebtedness of the City, howsoever evidenced or incurred, does not exceed any constitutional or statutory or other lawful limitation; and that provision has been made for the collection of a direct annual tax, in addition to all other taxes, on all of the taxable property in the City sufficient to pay the interest hereon as the same falls due and also to pay and discharge the principal hereof at maturity.


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

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



Mayor, City of Evanston
Cook County, Illinois

Attest:



City Clerk, City of Evanston
Cook County, Illinois

[SEAL]

CERTIFICATE OF AUTHENTICATION

Date of Authentication: _____, _____

This Bond is one of the Bonds described in the within-mentioned Ordinance and is one of the General Obligation Corporate Purpose Bonds, Series 1998, of the City of Evanston, Cook County, Illinois.

American National Bank and Trust Company
of Chicago,
as Bond Registrar

[FORM OF BOND - REVERSE SIDE]

This bond is one of a series of bonds (the "*Bonds*") in the aggregate principal amount of \$11,160,000 issued by the City for the purpose of paying the costs of the 1998 Capital Funding of the City, and of paying expenses incidental thereto, all as described and defined in the Ordinance Number 38-O-98, duly adopted by the City Council on the 14th day of April 1998, authorizing the Bonds (the "*Ordinance*"), pursuant to and in all respects in compliance with the applicable provisions of the Illinois Municipal Code, as supplemented and amended, and as further supplemented and, where necessary, superseded, by the powers of the City as a home rule unit under the provisions of Section 6 of Article VII of the Illinois Constitution of 1970 (such code and powers being the "*Act*"), and with the Ordinance, which has been duly approved by the Mayor of the City, and published in pamphlet form, in all respects as by law required.

Those of the Bonds due on or after December 1, 2009, are subject to redemption prior to maturity, at the option of the City, from any available funds, in whole or in part, on any

date on or after December 1, 2008, and if in part, in any order of maturity as selected by the City, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of par plus accrued interest to the date of redemption.

In each case of redemption, such further terms and provision for notice of redemption shall be as set forth in the Ordinance.

This 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 the Ordinance. 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 or during the period of 15 days preceding the giving of notice of redemption of Bonds or to transfer or exchange any Bond all or a portion of which has been called for redemption.

The City, the Bond Registrar and the Paying Agent 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 the City, the Bond Registrar and the Paying Agent shall not be affected by any notice to the contrary.

ASSIGNMENT

FOR VALUE RECEIVED, the undersigned sells, assigns and transfers unto

[Here insert identifying number such as TID, SSN, or other]

(Name and Address of Assignee)

the within Bond and does hereby irrevocably constitute and appoint

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

Dated: _____

Signature guaranteed: _____

NOTICE: The signature to this 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 11. Tax Levy. For the purpose of providing funds required to pay the interest on the Bonds promptly when and as the same falls due, and to pay and discharge the principal thereof at maturity, *there is hereby levied upon all of the taxable property within the City, in the years for which any of the Bonds are outstanding, a direct annual tax sufficient for that purpose. Such levy is fully set forth in the Bond Order.* The Pledged Taxes and other moneys on deposit (collectively, the "Bond Moneys") in the Debt Service Fund and allocable to the Bonds shall be applied to pay principal of and interest on the Bonds.

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

Whenever other funds from any lawful source are made available for the purpose of paying any principal of or interest on the Bonds so as to enable the abatement of the taxes levied herein for the payment of same, the City Council shall, by proper proceedings, direct the deposit of such funds into the Debt Service Fund and further shall direct the abatement of the taxes by the amount so deposited. A certified copy or other notification of any such proceedings abating taxes may then be filed with the County Clerk in a timely manner to effect such abatement.

Section 12. Filing with County Clerk. Promptly, as soon as this Ordinance becomes effective, a copy hereof, certified by the City Clerk of the City, shall be filed with the County Clerk; and the County Clerk shall in and for each of the years required, being 1998 to 2017, inclusive, ascertain the rate percent required to produce the aggregate tax hereinbefore provided to be levied in each of said years, as shall be set forth in the Bond Order; and the County Clerk shall (to the extent said tax has not been abated as provided herein) extend the same for collection on the tax books in connection with any other taxes that may be levied in said years in and by the City for general corporate purposes of the City; and in said years such annual tax shall be levied and collected by and for and on behalf of the City in like manner as provided by law for the levy and collection of taxes for general corporate purposes for said years, without limit as to either rate or amount, and in addition to and in excess of all other taxes.

Section 13. Sale of Bonds; Bond Order. The Bond Order, in final form as attached to this Ordinance, is hereby approved and confirmed.

The distribution of the Preliminary Official Statement relating to the Bonds presented before this meeting is hereby in all respects authorized and approved, and the proposed use by the Underwriters 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. A bond purchase contract for the sale of the Bonds to the Underwriters (the "*Bond Purchase Contract*"), as comprised of the Official Notice of Sale and Official Bid Form, is hereby in all respects authorized and approved.

Section 14. Creation of Funds and Appropriations. Bond proceeds and other funds of the City as noted are hereby appropriated as follows:

A. Accrued interest and premium, if any, on the Bonds shall be and is hereby appropriated for the purpose of paying the first interest due on the Bonds and to such end is hereby ordered to be deposited into the "General Obligation Corporate Purpose Bonds, Series 1998, Debt Service Fund" (the "*Debt Service Fund*"), hereby created, which shall be the fund for the payment of principal of and interest on the Bonds.

B. The Pledged Taxes shall either be deposited into the Debt Service Fund and used solely and only for paying the principal of and interest on the Bonds or be used to reimburse a fund or account from which advances to the Debt Service Fund may have been made to pay principal of or interest on the Bonds prior to receipt of Pledged Taxes. Interest income or investment profit earned in the Debt Service Fund shall be retained in the Debt Service Fund for payment of the principal of or interest on the Bonds on the interest payment date next after such interest or profit is received or, to the extent lawful and as determined by the City Council, transferred to such other fund as may be determined. The City hereby pledges, as equal and ratable security for the Bonds, all present and future proceeds of the Pledged Taxes for the sole benefit of the registered owners of the Bonds, subject to the reserved right of the City Council to transfer certain interest income or investment profit earned in the Debt Service Fund to other funds of the City, as described in the preceding sentence.

C. The amount necessary from the proceeds of the Bonds shall be used to pay costs of issuance of the Bonds and shall be deposited into a separate fund, hereby created, designated the "*Expense Fund*". Any disbursements from such fund shall be made from time to time as necessary. Any excess in said fund shall be deposited into the Project Fund hereinafter created after six months from the date of issuance of the Bonds.

D. A sum sufficient to refund the designated amount of the Series 1993 Bond Anticipation Bonds next coming due shall be set aside by the Comptroller of the City and held in a special fund solely and only for that purpose.

E. The remaining proceeds of the Bonds shall be set aside in a separate fund, hereby created, and designated as the "*Series 1998 Capital Project Fund*" (the "*Project Fund*"), hereby created, and be used to pay costs of the 1998 Bonds Capital Improvements, including costs of issuance of the Bonds which for any reason are not paid from the Expense Fund. Alternatively, the Comptroller may allocate proceeds of the Bonds otherwise designated for the Expense Fund or the Project Fund to one or more related funds of the City already in existence; *provided, however*, that this shall not relieve the Comptroller of the duty to account for the proceeds as herein provided. (Any such one or more funds shall also be referred to hereinafter, collectively, as the "*Project Fund*".)

The City Council reserves the right, as it becomes necessary from time to time, to revise the list of projects hereinabove set forth, to change priorities, to revise cost allocations between projects and to substitute projects, in order to meet current needs of the City; subject, however, to limitations of the Act and to the tax covenants set forth herein.

Section 15. Not Private Activity Bonds. None of the Bonds is a "private activity bond" as defined in Section 141(a) of the Code. In support of such conclusion, the City certifies, represents and covenants as follows:

A. Not more than 5% of the sale proceeds of the Bonds, plus investment earnings earned on such proceeds, is to be used, directly or indirectly, in any activity carried on by any person other than a state or local governmental unit.

B. The payment of more than five 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 activity carried on by any person other than a state or local governmental unit or (B) payments in respect of such property or (ii) on a present value basis, derived from payments (whether or not by or to the City) in respect of property, or borrowed money, used or to be used in any activity carried on by any person other than a state or local governmental unit.

C. None of the proceeds of the Bonds is to be used, directly or indirectly, and none of the proceeds of the Series 1993 Bond Anticipation Bonds was used, directly or indirectly, to make or finance loans to persons other than a state or local governmental unit.

D. No user of the any of the acquisitions or improvements of the City to be acquired or improved as part of the 1998 Capital Funding and no user of the improved alleyways or the fleet vehicles, to be financed with proceeds of the Bonds, other than the City or another governmental unit, will use the same on any basis other than the same basis as the general public; and no person, other than the City or another governmental unit, will be a user of such infrastructure as a result of (i) ownership or (ii) actual or beneficial use pursuant to a lease, a management or incentive payment contract, or (iii) any other arrangement.

Section 16. General Arbitrage Covenants. The City represents and certifies as follows with respect to the Bonds:

A. All proceeds of the Series 1993 Bond Anticipation Bonds have been expended for the purposes for which issued. With respect to the 1998 Bonds Capital Improvements (hereinafter also referred to as the "*Project*"), the City has heretofore incurred, or within six months after delivery of the Bonds expects to incur, substantial binding obligations to be paid for with money received from the sale of the Bonds, said binding obligations comprising binding contracts for the Project in not less than the amount of \$1,000,000.

B. More than 90% of the proceeds of the Bonds to be issued for the Project will be expended on or before April 15, 2001, for the purpose of paying the costs of the Project, said date being within three years following the date of issue of the Bonds.

C. All of the principal proceeds of the Bonds issued for the Project, and investment earnings thereon, will be used, needed and expended for the purpose of paying the costs the Project, including expenses incidental thereto.

D. Work on the Project is expected to proceed with due diligence to completion.

E. Except for the Bond Fund, the City has not created or established and will not create or establish any sinking fund, reserve fund or any other similar fund to provide for the payment of the Bonds. The Bond Fund has been established and will be funded in a manner primarily to achieve a proper matching of revenues and debt service, and will be depleted at least annually to an amount not in excess of 1/12th the particular annual debt service on the Bonds. Money deposited into the Bond Fund will be spent within a 13-month period beginning on the date of deposit, and investment

earnings in the Bond Fund will be spent or withdrawn from the Bond Fund within a one-year period beginning on the date of receipt.

F. Amounts of money related to the Bonds required to be invested at a yield not materially higher than the yield on the Bonds, as determined pursuant to such tax certifications or agreements as the City officers may make in connection with the issuance of the Bonds, shall be so invested; and appropriate City officers are hereby authorized to make such investments.

G. The City has not been notified of any disqualification or proposed disqualification of it by the Commissioner of the Internal Revenue Service as a bond issuer which may certify bond issues under applicable Treasury Regulations under Section 148 of the Code.

The City further certifies and covenants as follows with respect to the requirements of Section 148(f) of the Code, relating to the rebate of "excess arbitrage profits" (the "*Rebate Requirement*") to the United States:

H. Unless an applicable exception to the Rebate Requirement is available to the City, the City will meet the Rebate Requirement.

I. Relating to applicable exceptions, either of the Designated Officers is hereby authorized to make such elections under the Code as either such officer shall deem reasonable and in the best interests of the City. If such election may result in a "penalty in lieu of rebate" as provided in the Code, and such penalty is incurred (the "*Penalty*"), then the City shall pay such Penalty.

J. The officers of the City shall cause to be established, at such time and in such manner as they may deem necessary or appropriate hereunder, a "General Obligation Corporate Purpose Bonds, Series 1998, Rebate [or Penalty, if applicable]"

Fund" (the "*Rebate Fund*") for the Bonds, and such officers shall further, not less frequently than annually, cause to be transferred to the Rebate Fund the amount determined to be the accrued liability under the Rebate Requirement or Penalty. Said officers shall cause to be paid to the U.S., without further order or direction from the City Council, from time to time as required, amounts sufficient to meet the Rebate Requirement or to pay the Penalty.

K. Interest earnings in the Project Fund and the Bond Fund are hereby authorized to be transferred, without further order or direction from the City Council, from time to time as required, to the Rebate Fund for the purposes herein provided; and proceeds of the Bonds and other funds of the City are also hereby authorized to be used to meet the Rebate Requirement or to pay the Penalty, but only if necessary after application of investment earnings as aforesaid and only as appropriated by the City Council.

The City also certifies and further covenants with the purchasers and registered owners of the Bonds from time to time outstanding that moneys on deposit in any fund or account in connection with the Bonds, whether or not such moneys were derived from the proceeds of the sale of the Bonds or from any other source, will not be used in a manner which will cause the Bonds to be "arbitrage bonds" within the meaning of Code Section 148 and any lawful regulations promulgated thereunder, as the same presently exist or may from time to time hereafter be amended, supplemented or revised.

Section 17. Further Tax Covenants. The City agrees to comply with all provisions of the present Code which, if not complied with by the City, would cause the Bonds not to be Tax-exempt. In furtherance of the foregoing provisions, but without limiting their generality, the City agrees: (a) through its officers, to make such further specific covenants, repre-

sentations as shall be truthful, and assurances as may be necessary or advisable; (b) to comply with all representations, covenants and assurances contained in certificates or agreements as may be prepared by counsel approving the Bonds; (c) to consult with such counsel and to comply with such advice as may be given; (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 its officers, to employ and pay fiscal agents, financial advisors, attorneys and other persons to assist the City in such compliance.

Section 18. Reimbursement. None of the proceeds of the Bonds will be used to pay, directly or indirectly, in whole or in part, for an expenditure that has been paid by the City prior to the date hereof except architectural or engineering costs incurred prior to commencement of any of the 1998 Bonds Capital Improvements or expenditures for which an intent to reimburse it as properly declared under Treasury Regulations Section 1.103-18. This Ordinance is in itself a declaration of official intent under Treasury Regulations Section 1.103-18 as to all costs of the 1998 Bonds Capital Improvements paid after the date hereof and prior to issuance of the Bonds.

Section 19. Opinion of Counsel Exception. The City reserves the right to use or invest moneys in connection with the Bonds in any manner, or to make changes in the 1998 Bonds Capital Improvements list, or to use the City infrastructure acquired, constructed or improved with proceeds of the Series 1993 Bond Anticipation Bonds or as part of the 1998 Bonds Capital Improvements in any manner, notwithstanding the representations and covenants in Sections 15 through 18 herein, provided it shall first have received an opinion from an attorney or a firm of attorneys of nationally recognized standing in matters pertaining to Tax-exempt bonds to the effect that use or investment of such moneys or the

changes in or use of such infrastructure as contemplated will not result in loss or impairment of Tax-exempt status for the Bonds.

Section 20. Continuing Disclosure. The Designated Officer is hereby authorized, empowered and directed to execute and deliver the Continuing Disclosure Undertaking (the "Continuing Disclosure Undertaking") substantially in the form attached hereto as *Exhibit B* to this Ordinance, made a part hereof by this reference, and hereby approved; the officer signatory to such Continuing Disclosure Undertaking being hereby authorized and directed to execute same, his or her execution to constitute conclusive proof of action in accordance with this Ordinance, and approval of all completions or revisions necessary or appropriate to such undertaking. When the Continuing Disclosure Undertaking is executed and delivered on behalf of the City as herein provided, the Continuing Disclosure Undertaking will be binding upon the City and the officers, employees and agents of the City, and the officers, employees and agents of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out and comply with the provisions of the Continuing Disclosure Undertaking as executed. Notwithstanding any other provision of this Ordinance, the sole remedies for failure to comply with the Continuing Disclosure Undertaking shall be the ability of the beneficial owner of any Bond to seek mandamus or specific performance by court order, to cause the City to comply with its obligations under the Continuing Disclosure Undertaking.

Section 21. Pertaining to the Bond Registrar. If requested by the Bond Registrar or the Paying Agent, or both, any officer of the City is authorized to execute standard forms of agreements between the City and the Bond Registrar or Paying Agent with respect to the obligations and duties of the Bond Registrar or Paying Agent under this Ordinance. In addition to the terms of such agreements and subject to modification thereby, the Bond

Registrar and Paying Agent by acceptance of duties under this Ordinance agree (a) to act as bond registrar, paying agent, authenticating agent, and transfer agent as provided herein; (b) as to the Bond Registrar, 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 to the extent permitted by law; (c) as to the Bond Registrar, to cancel and/or destroy Bonds which have been paid at maturity or upon redemption or submitted for exchange or transfer; (d) as to the Bond Registrar, to furnish the City at least annually a certificate with respect to Bonds cancelled and/or destroyed; and (e) 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. The City covenants with respect to the Bond Registrar, and the Bond Registrar further covenants and agrees as follows: (A) The City shall at all times retain a Bond Registrar with respect to the Bonds; it will maintain at the designated office(s) of such Bond Registrar a place or places where Bonds may be presented for payment, registration, transfer or exchange; and it will require that the Bond Registrar properly maintain the Bond Register and perform the other duties and obligations imposed upon it by this Ordinance in a manner consistent with the standards, customs and practices of the municipal securities industry. (B) The Bond Registrar shall signify its acceptance of the duties and obligations imposed upon it by this Ordinance by executing the certificate of authentication on any Bond, and by such execution the Bond Registrar shall be deemed to have certified to the City that it has all requisite power to accept and has accepted such duties and obligations not only with respect to the Bond so authenticated but with respect to all the Bonds. Any Bond Registrar shall be the agent of the City and shall not be liable in connection with the performance of its duties except for its own negligence or willful wrongdoing. Any Bond Registrar shall, however, be responsible for any representation in its certificate of authentication on Bonds. (C) The City

may remove the Bond Registrar at any time. In case at any time the Bond Registrar shall resign, shall be removed, shall become incapable of acting, or shall be adjudicated a bankrupt or insolvent, or if a receiver, liquidator, or conservator of the Bond Registrar or of the property thereof shall be appointed, or if any public officer shall take charge or control of the Bond Registrar or of the property or affairs thereof, the City covenants and agrees that it will thereupon appoint a successor Bond Registrar. The City shall give notice of any such appointment made by it to each registered owner of any Bond within twenty days after such appointment in the same manner, or as nearly the same as may be practicable, as for a redemption of Bonds. Any Bond Registrar appointed under the provisions of this Section shall be a bank, trust company, or national banking association maintaining its principal corporate trust office in Illinois, and having capital and surplus and undivided profits in excess of \$25,000,000. The City Clerk of the City is hereby directed to file a certified copy of this Ordinance with the Bond Registrar and the Paying Agent.

Section 22. Defeasance. Any Bond or Bonds which (a) are paid and cancelled, (b) which have matured and for which sufficient sums been deposited with the Paying Agent to pay all principal and interest due thereon, or (c) for which sufficient funds and Defeasance Obligations have been deposited with the Paying Agent or similar institution to pay, taking into account investment earnings on such obligations, all principal of and interest on such Bond or Bonds when due at maturity or as called for redemption, pursuant to an irrevocable escrow or trust agreement, shall cease to have any lien on or right to receive or be paid from the Pledged Taxes and shall no longer have the benefits of any covenant for the registered owners of outstanding Bonds as set forth herein as such relates to lien and security of the outstanding Bonds. All covenants relative to the Tax-exempt status of the Bonds; and payment, registration, transfer, and exchange; are expressly continued for all Bonds whether

outstanding Bonds or not. For purposes of this section, "Defeasance Obligations" means (a) direct and general full faith and credit obligations of the United States Treasury ("Directs"), (b) certificates of participation or trust receipts in trusts comprised wholly of Directs or (c) other obligations unconditionally guaranteed as to timely payment by the United States Treasury.

Section 23. Publication of Ordinance. A full, true and complete copy of this Ordinance shall be published within ten days after passage in pamphlet form by authority of the City Council.

Section 24. 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.

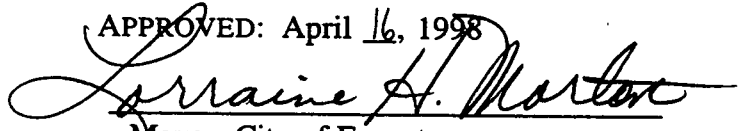
AYES Aldermen Feldman, Newman, Drummer, Wynne, Bernstein,
Kent, Moran, Engelman, Rainey

NAYS: None

ABSENT: None

ADOPTED: April 14, 1998

APPROVED: April 16, 1998




Mayor, City of Evanston
Cook County, Illinois

RECORDED In City Records: April 16, 1998.

PUBLISHED in pamphlet form by authority of the City Council on April 16, 1998.

Attest:



City Clerk, City of Evanston
Cook County, Illinois

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

BOND ORDER

I, Roger D. Crum, do hereby certify that I am the City Manager of the City of Evanston, Cook County, Illinois (the "City"); and as such officer, I have reviewed the books, records, minutes and files of the City, and from such review and based on my authority, I do further certify as follows:

1. Contemporaneously with the execution of this Bond Order, the City Council has adopted Ordinance Number 38-O-98 of the City entitled:

AN ORDINANCE providing for the issuance of \$11,160,000 General Obligation Corporate Purpose Bonds, Series 1998, of the City of Evanston, Cook County, Illinois, and providing for the levy and collection of a direct annual tax for the payment of the principal of and interest on said bonds.

(the "Bond Ordinance").

2. The Bond Ordinance, approves the final maturity and rate schedule for the Bonds (as authorized and defined in the Bond Ordinance), the tax levy for the Bonds, and the advice to the County Clerk of the determinations so made, all provided in this Bond Order.

3. I have received the Financial Advisor's Certificate Re: Bond Sale.

4. The terms of the Bonds are fair and reasonable in view of current conditions in the bond market.

5. The Bonds have been sold to

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60603

(and associates) at a price of \$11,082,811.00.

6. The final schedule for the Bonds is as follows:

Principal Amount: \$11,160,000

Dated: April 15, 1998.

Due: Serially, on December 1 of the years, in the amounts, and bearing interest at the rates percent per annum as follows:

YEAR	AMOUNT (\$)	RATE (%)	YEAR	AMOUNT (\$)	RATE (%)
1999	370,000	4.80	2009	480,000	4.80
2000	445,000	4.80	2010	510,000	4.80
2001	465,000	4.80	2011	540,000	4.85
2002	495,000	4.80	2012	570,000	4.85
2003	525,000	4.80	2013	605,000	4.85
2004	560,000	4.80	2014	645,000	4.85
2005	600,000	4.80	2015	685,000	4.875
2006	420,000	4.80	2016	735,000	4.875
2007	450,000	4.80	2017	765,000	4.875
2008	480,000	4.80	2018	815,000	4.875

7. The levy amounts to be provided to pay principal of and interest on the Bonds are as follows:

FOR THE YEAR	A TAX SUFFICIENT TO PRODUCE THE DOLLAR SUM OF:
1998	\$1,247,552 for interest and principal up to and including December 1, 1999
1999	\$966,350 for interest and principal
2000	\$964,990 for interest and principal
2001	\$972,670 for interest and principal
2002	\$978,910 for interest and principal
2003	\$988,710 for interest and principal
2004	\$1,001,830 for interest and principal

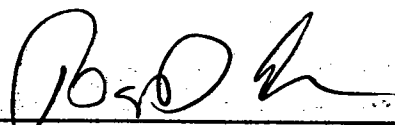
2005	\$793,030	for interest and principal
2006	\$802,870	for interest and principal
2007	\$811,270	for interest and principal
2008	\$788,230	for interest and principal
2009	\$795,190	for interest and principal
2010	\$800,710	for interest and principal
2011	\$804,520	for interest and principal
2012	\$811,875	for interest and principal
2013	\$822,533	for interest and principal
2014	\$831,250	for interest and principal
2015	\$847,857	for interest and principal
2016	\$842,025	for interest and principal
2017	\$854,732	for interest and principal

8. Those of the Bonds due on or after December 1, 2009, are subject to redemption prior to maturity, at the option of the City, from any available funds, in whole or in part, on any date on or after December 1, 2008, and if in part, in any order of maturity (and, if applicable, any order of mandatory redemption payment) as selected by the City, and if less than an entire maturity, in integral multiples of \$5,000, selected by lot by the Bond Registrar, at the redemption price of par plus accrued interest to the date of redemption.

9. All other terms are as provided in the Bond Ordinance.

10. Please be further advised that we find and determine that no person holding any office of the City either by election or appointment, is in any manner financially interested, either directly, in his or her own name or indirectly in the name of any other person, associate, trust or corporation, in the Bond Purchase Contract with the firm named above in paragraph (5).

IN WITNESS WHEREOF I have hereunto affixed my official signature this 14th day of April 1998.



Roger D. Crum
City Manager

**CONTINUING DISCLOSURE UNDERTAKING
FOR THE PURPOSE OF PROVIDING
CONTINUING DISCLOSURE INFORMATION
UNDER SECTION (b)(5) OF RULE 15c2-12**

This Continuing Disclosure Undertaking (this "*Undertaking*") is executed and delivered by the City of Evanston, Cook County, Illinois (the "*City*"), in connection with the issuance of General Obligation Corporate Purpose Bonds, Series 1998 (the "*Bonds*"). The Bonds are being issued pursuant to an ordinance adopted by the City Council of the City on the 14th day of April 1998 and a Bond Order executed by designated officers of the City on the 14th day of April 1998.

In consideration of the issuance of the Bonds by the City and the purchase of such Bonds by the beneficial owners thereof, the City covenants and agrees as follows:

1. **PURPOSE OF THIS UNDERTAKING.** This Undertaking is executed and delivered by the City as of the date set forth below, for the benefit of the beneficial owners of the Bonds and in order to assist the Participating Underwriters in complying with the requirements of the Rule (as defined below). The City represents that it will be the only obligated person with respect to the Bonds at the time the Bonds are delivered to the Participating Underwriters and that no other person is expected to become so committed at any time after issuance of the Bonds.

2. **DEFINITIONS.** The terms set forth below shall have the following meanings in this Undertaking, unless the context clearly otherwise requires.

Annual Financial Information means the financial information and operating data described in *Exhibit I*.

Annual Financial Information Disclosure means the dissemination of disclosure concerning Annual Financial Information and the dissemination of the Audited Financial Statements as set forth in Section 4.

Audited Financial Statements means the audited financial statements of the City prepared pursuant to the standards and as described in *Exhibit I*.

Commission means the Securities and Exchange Commission.

Dissemination Agent means any agent designated as such in writing by the City and which has filed with the City a written acceptance of such designation, and such agent's successors and assigns.

Exchange Act means the Securities Exchange Act of 1934, as amended.

Material Event means the occurrence of any of the Events with respect to the Bonds set forth in *Exhibit II* that is material, as materiality is interpreted under the Exchange Act.

Material Events Disclosure means dissemination of a notice of a Material Event as set forth in Section 5.

MSRB means the Municipal Securities Rulemaking Board.

NRMSIRs means, as of any date, all Nationally Recognized Municipal Securities Information Repositories then recognized by the Securities and Exchange Commission for purposes of the Rule. As of the date of this Undertaking, the NRMSIRs are:

Bloomberg Municipal Repositories
P.O. Box 840
Princeton, NJ 08542-0840
Phone: (609) 279-3200
Fax: (609) 279-5962
E-Mail: Munis@Bloomberg.com

Kenny Information Systems, Inc.
65 Broadway - 16th Floor
New York, NY 10006
Attn: Kenny Repository Service
Phone: (212) 770-4595
Fax: (212) 797-7994

DPC Data Inc.
One Executive Drive
Fort Lee, NJ 07024
Phone: (201) 346-0701
Fax: (201) 947-0107
E-Mail: nrmsir@dpcdata.com

Thomson NRMSIR
Attn: Municipal Disclosure
395 Hudson Street, 3rd Floor
New York, NY 10014
Phone: (212) 807-5001; (800) 689-8466
Fax: (212) 989-2078
E-Mail: Disclosure @ Muller.com

The names and addresses of all current NRMSIRs should be verified each time information is delivered pursuant to this Undertaking.

Participating Underwriter means each broker, dealer or municipal securities dealer acting as an underwriter in the primary offering of the Bonds.

Rule means Rule 15c2-12 adopted by the Securities and Exchange Commission under the Exchange Act, as the same may be amended from time to time.

SID means any public or private repository designated by the State as the state repository and recognized as such by the Securities and Exchange Commission for purposes of the Rule. As of the date of this Undertaking there is no SID.

3. CUSIP NUMBER/FINAL OFFICIAL STATEMENT.

The CUSIP Number of the Bonds are as set forth in Exhibit III:

The Final Official Statement relating to the Bonds is dated April 27, 1998 (the "*Final Official Statement*").

4. ANNUAL FINANCIAL INFORMATION DISCLOSURE. Subject to Section 9 of this Undertaking, the City hereby covenants that it will disseminate its Annual Financial Information and its Audited Financial Statements (in the form and by the dates set forth in *Exhibit I*) to each NRMSIR and to the SID, if any. The City is required to deliver such information in such manner and by such time so that such entities receive the information by the dates specified. If any part of the Annual Financial Information can no longer be generated because the operations to which it is related have been materially changed or discontinued, the City will disseminate a statement to such effect as part of its Annual Financial Information for the year in which such event first occurs. If any amendment is made to this Undertaking, the Annual Financial Information for the year in which such amendment is made (or in any notice or supplement provided to each NRMSIR and the SID, if any) shall contain a narrative description of the reasons for such amendment and its impact on the type of information being provided.

5. EVENTS NOTIFICATION; MATERIAL EVENTS DISCLOSURE. Subject to Section 9 of this Undertaking, the City hereby covenants that it will disseminate in a timely manner Material Events Disclosure to each NRMSIR or to the MSRB and to the SID, if any. Notwithstanding the foregoing, notice of optional or unscheduled redemption of any Bonds or defeasance of any Bonds need not be given under this Undertaking any earlier than the notice (if any) of such redemption or defeasance is given to the Bondholders pursuant to the Ordinance.

6. DUTY TO UPDATE NRMSIRs/SID. The City shall determine, in the manner it deems appropriate, the names and addresses of the then existing NRMSIRs and SID each time it is required to file information with such entities.

7. CONSEQUENCES OF FAILURE OF THE CITY TO PROVIDE INFORMATION. The City shall give notice in a timely manner to each NRMSIR or to the MSRB and to the SID, if any, of any failure to provide Annual Financial Information Disclosure when the same is due hereunder. In the event of a failure of the City to comply with any provision of this Undertaking, the beneficial owner of any Bond may seek mandamus or specific performance by court order, to cause the City to comply with its obligations under this Undertaking. A default under this Undertaking shall not be deemed a default under the Ordinance, and the sole remedy under this Undertaking in the event of any failure of the City to comply with this Undertaking shall be an action to compel performance.

8. AMENDMENTS; WAIVER. Notwithstanding any other provision of this Undertaking, the City by ordinance authorizing such amendment or waiver, may amend this Undertaking, and any provision of this Undertaking may be waived, if: (a) the amendment

or waiver is made in connection with a change in circumstances that arises from a change in legal requirements, change in law, or change in the identity, nature, or status of the City, or type of business conducted; (b) this Undertaking, as amended, or the provision, as waived, would have complied with the requirements of the Rule at the time of the primary offering, after taking into account any amendments or interpretations of the Rule, as well as any change in circumstances; and (c) the amendment or waiver does not materially impair the interests of the beneficial owners of the Bonds, as determined either by parties unaffiliated with the City (such as Bond Counsel).

9. **TERMINATION OF UNDERTAKING.** The Undertaking of the City shall be terminated hereunder if the City shall no longer have any legal liability for any obligation on or relating to payment of the Bonds under the Ordinance. The City shall give notice in a timely manner if this Section is applicable to each NRMSIR or to the MSRB and to the SID, if any.

10. **DISSEMINATION AGENT.** The City may, from time to time, appoint or engage a Dissemination Agent to assist it in carrying out its obligations under this Undertaking, and may discharge any such Agent, with or without appointing a successor Dissemination Agent.

11. **ADDITIONAL INFORMATION.** Nothing in this Undertaking shall be deemed to prevent the City from disseminating any other information, using the means of dissemination set forth in this Undertaking or any other means of communication, or including any other information in any Annual Financial Information Disclosure or notice of occurrence of a Material Event, in addition to that which is required by this Undertaking. If the City chooses to include any information from any document or notice of occurrence of a Material Event in addition to that which is specifically required by this Undertaking, the City shall have no obligation under this Undertaking to update such information or include it in any future disclosure or notice of occurrence of a Material Event.

12. **BENEFICIARIES.** This Undertaking has been executed in order to assist the Participating Underwriters in complying with the Rule; however, this Undertaking shall inure solely to the benefit of the City, the Dissemination Agent, if any, and the beneficial owners of the Bonds, and shall create no rights in any other person or entity.

13. **RECORDKEEPING.** The City shall maintain records of all Annual Financial Information Disclosure and Material Events Disclosure including the content of such disclosure, the names of the entities with whom such disclosure was filed and the date of filing such disclosure.

14. ASSIGNMENT. The City shall not transfer its obligations under the Ordinance unless the transferee agrees to assume all obligations of the City under this Undertaking or to execute an Undertaking under the Rule.

15. GOVERNING LAW. This Undertaking shall be governed by the laws of the State of Illinois.

Date: April 29, 1998

CITY OF EVANSTON
COOK COUNTY, ILLINOIS

By: _____

Its:  City Manager

Address: 2100 Ridge Avenue
Evanston, Illinois 60201

EXHIBIT I
ANNUAL FINANCIAL INFORMATION AND TIMING AND AUDITED
FINANCIAL STATEMENTS

Annual Financial Information means the financial information and operating data of the type contained in the Official Statement as follows:

The information under the Caption *Statement of Indebtedness* on the Cover Page
The information under the Caption *Financial Information* beginning on Page 12

Information by Reference. All or a portion of the Annual Financial Information and the Audited Financial Statements as set forth below may be included by reference to other documents which have been submitted to each NRMSIR and to the SID, if any, or filed with the Commission. If the information included by reference is contained in a Final Official Statement, the Final Official Statement must be available from the MSRB; the Final Official Statement need not be available from each NRMSIR, the SID, if any, or the Commission. The City shall clearly identify each such item of information included by reference.

Time for Providing. Annual Financial Information will be provided to each NRMSIR and to the SID, if any, within 210 days after the last day of the City's fiscal year. Audited Financial Statements as described below should be filed at the same time as the Annual Financial Information, if available at such time. If Audited Financial Statements are not available within 210 days after the last day of the City's fiscal year, unaudited financial statements shall be filed within such time.

Preparation of Audited Financial Statements. Audited Financial Statements will be prepared according to Generally Accepted Accounting Principles as applicable to governmental units (i.e. as subject to the pronouncements of the Governmental Standards Accounting Board and subject to any express requirements of State law). Audited Financial Statements will be provided to each NRMSIR and to the SID, if any, with and at the time of the Annual Financial Information or, if unavailable at such time, within 30 days after availability to the City.

Annual Financial Information Changes. If any change is made to the Annual Financial Information as permitted by Section 4 of the Undertaking, the City will disseminate a notice of such change as required by Section 4.