

2022 Intergovernmental Agreement Between the City of Peoria and  
The Peoria Civic Center Authority

This Intergovernmental Agreement is made and entered into as of November\_\_\_\_, 2022, by and between the City of Peoria, a municipal corporation of the State of Illinois, herein known as the "City", and the Peoria Civic Center Authority, a municipal corporation of the State of Illinois, herein known as the "Authority":

**WITNESSETH:**

Whereas, the City of Peoria is a unit of local government as defined by Article VII, Section 1, of the Constitution of the State of Illinois and is also a home rule municipality as provided for in Article VII, Section 6, of the Constitution of the State of Illinois; and

Whereas, the Peoria Civic Center Authority, which has been established and empowered pursuant to the Peoria Civic Center Act, 70 ILCS 315/1 et seq. is a unit of local government as defined by Article VII, Section 1 of the Constitution of the State of Illinois; and

Whereas, units of local government are enabled by Article VII, Section 10 of the Constitution of the State of Illinois and the Intergovernmental Cooperation Act, 5 ILCS 220/1 et seq. to enter into agreements among themselves for the purposes of jointly exercising with each other any power or powers, privileges or authority exercised by any of the governmental bodies themselves including the transfer of revenues; and

Whereas, the City and the Authority have heretofore entered into an Amended Agreement for Funding and Development of Civic Center dated December 23, 1976, which dealt with the construction of the Peoria Civic Center, and an intergovernmental cooperation agreement known as the 1990 Civic Center Agreement, and an intergovernmental cooperation agreement known as the 1996 Civic Center Agreement; and an intergovernmental cooperation agreement known as the 2013 Civic Center Agreement; and the 2016 Intergovernmental Agreement; and

Whereas, the City and Authority believe that it is desirable and important to the citizens of the City of Peoria that the Authority maintain adequate facilities for the presentation of fairs, industrial, cultural, educational, trade and scientific exhibits, shows and sporting events in the Metropolitan area of the City of Peoria, as fully described in the Peoria Civic Center Act and to meet the timing needs associated with the capital – improvements; and

Whereas, the Authority has no means of its own other than revenues from operations to provide funds for the expansion, operations and capital improvements to the Peoria Civic Center; and

Whereas, the City is desirous of continuing the funding of the operations of the Peoria Civic Center and the capital improvements thereto as well as the support of the operations; and

Whereas, due to the business constraints posed by the COVID-19 pandemic, the City issued a loan in the amount of \$4,000,000 to the Authority to assist with operations during the years 2020 – 2021 and the Authority recognizes the receipt of the \$4,000,000 and agrees that the \$4,000,000 may be paid over to the City of Peoria through HRA and other tax receipts subject to the 2016 Intergovernmental Agreement; and

Whereas, the City and Authority wish to enter into an additional agreement in order to provide for adequate bridge-loan funding to the Authority for certain capital improvements of the Peoria Civic Center; those capital improvements to be paid for by a reimbursement grant in the amount of \$25,000,000 million issued by the State of Illinois through the Department of Commerce and Economic Opportunity (the “Grant”) in Grant No. 22-203005; and

Whereas, the Authority has pre-funded certain Capital Improvements to be paid with the proceeds from the Grant, however, the State of Illinois Grant Agreement has yet to be fully executed, although it is authorized, causing a cash-flow issue for the Authority; and

Whereas, the Authority has spent \$1,620,848.03 in capital improvements associated with the Grant in order to meet certain construction timelines and seasons, all of which are improvements to the Civic Center; and

Whereas, the Civic Center Authority has developed a priority list of capital projects which shall utilize the entire Grant. Additional improvements are in design and in process for work to begin, with total capital improvements of \$11,292,448.90 for work, likely to begin in First and Second Quarter of 2023 and the remaining prioritized capital projects are likely to be designed and work beginning in 2023 for the remaining balance of the Grant; and

Whereas, due to the costs paid by the Authority and upcoming expenses, the Authority's cash resources are soon to be at critical levels; and

Whereas, it is critical to the successful operation of the Peoria Civic Center that adequate funds be made available for operation, annual capital expenditures, adequate working capital funding and major capital expenditures for the Peoria Civic Center; and

NOW, THEREFORE, in consideration of the mutual covenants and promises contained herein, the parties agree as follows:

(1). Attached as Exhibit A is the Notice of Grant Award received by the Authority on November 1, 2022 for Grant No. 22-203005 between The Illinois Department of Commerce and Economic Opportunity (Grantor) and the Authority;

(2). Upon the Civic Center Authority by and through either its General Manager or Chairperson of its Authority Board, certifying to the City of Peoria that its Cash Balance be below \$1,000,000 at any given week, than the City of Peoria will issue a draw to the Authority within 5 business days as a non-interest bearing bridge loan to the Authority in the amount of the capital improvement expenditures either made or capital improvement expenditures due to be paid to third-party contractors (the "bridge loan") for any and all capital projects to be funded by the Grant. For purposes of this Agreement, the Cash Balance is the Authority Operating Account, which is separate and apart from the accounts utilized to settle, pay, manage and maintain events at the Civic Center; and

(3). The Authority agrees that, upon receipt of the capital improvement Grant dollars from the State of Illinois or any portion thereof, it will pay over to the City of Peoria those proceeds it receives to satisfy the outstanding balance of any bridge loan draws or payments made to the Authority by the City for the work associated with the Grant; and

(4). Concurrent with execution of this Agreement, the City of Peoria will lend \$1,620,848.03 to the Civic Center Authority as the first installment of the bridge loan; and

(5). The City Manager is authorized to extend no-interest, bridge loan financing, not to exceed the aggregate of \$25,000,000 to the Authority to pay for capital expenditures associated with the Grant; and

(6). The respective managers and counsel for the parties will document each successive bridge loan payments made by the City to the Authority in a professional and commercially reasonable manner; and

(7). The Authority and City of Peoria recognize that the City issued a loan in the amount of \$4,000,000 to the Authority to assist with operations during the years 2020 – 2021 and the Authority recognizes the receipt of the \$4,000,000. The Parties agree that the \$4,000,000 may be paid over to the City of Peoria through HRA and other tax receipts subject to the 2016 Intergovernmental Agreement, on a mutually acceptable schedule, so that the payments made to pay down the \$4,000,000 may be paid over to the City of Peoria from HRA and other tax only after the Bonds at issue in Section 4.02 of the 2016 Intergovernmental Agreement are satisfied.

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

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

City of Peoria, a municipal corporation

Peoria Civic Center Authority

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Chairperson

Attest: \_\_\_\_\_

Attest: \_\_\_\_\_

City Clerk

Secretary

Approved as to Form:

Approved as to Form:

\_\_\_\_\_  
Corporation Counsel

\_\_\_\_\_  
Its Attorney