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**LOVES PARK CITY COUNCIL AGENDA– APRIL 6, 2020- 6 P.M.**  
**VIRTUAL MEETING HELD AT WWW.CITYOFLOVESPARK.COM**

- I. CALL TO ORDER**
- II. INVOCATION & PLEDGE OF ALLEGIANCE**
  - 1. Invocation given by Mayor Greg Jury followed by the Pledge of Allegiance.**
- III. ROLL CALL**
- IV. APPROVAL OF CITY COUNCIL MINUTES OF PREVIOUS MEETING**
- V. COMMUNICATIONS, MAYOR’S REPORT AND ANNOUNCEMENTS**
  - 1. Proclamation for “Great American Clean Up Day”.**
- VI. APPROVE PAYMENT OF BILLS**
- VII. OFFICER’S REPORTS**
  - 1. Public Safety**
  - 2. Public Works**
- VIII. COMMITTEE REPORTS**
  - 1. Finance and Administration/Jacobson (Finance, Personnel, Buildings & Grounds, Purchasing, Recreation & Beautification)**
  - 2. Public Safety/Allton (Police, Fire, Public Safety & Health)**
  - 3. Public Works/Schlensker (Street, Water & Utilities)**
  - 4. Codes and Regulations/Peterson (Ordinances & Licenses)**
  - 5. Community Development/Frykman (Development, Planning, Zoning, Annexation, Building & Drainage)**
- IX. UNFINISHED BUSINESS**

**X. NEW BUSINESS**

- 1. Reappointment of Thomas Myers to the Greater Rockford Airport Authority Board of Commissioners with a term to expire April 30, 2025.**

**XI. RESOLUTIONS & MOTIONS**

- 1. Resolution authorizing the City of Loves Park to execute documents to subordinate their security interests in Arachnid 360, LLC.**
- 2. Resolution adopting Amendment No. 19 to the City of Loves Park Comprehensive Group Health Plan in relation to the COVID-19 pandemic.**

**XII. ORDINANCES 2<sup>ND</sup> READING**

**XIII. ORDINANCES 1<sup>ST</sup> READING**

- 1. Amending and/or ratifying an ordinance granting special temporary powers and authority to the Mayor of the City of Loves Park, Illinois in response to a declaration of a local state of emergency.**

**XIV. PUBLIC COMMENT**

**XV. EXECUTIVE SESSION**

**XVI. GOOD OF THE ORDER**

**XVII. ADJOURNMENT**

**CITY COUNCIL, CITY OF LOVES PARK, ILLINOIS**

Journal of Proceedings

Regular Meeting, Monday, March 30, 2020

Mayor Gregory Jury called to order the online live-streamed meeting of the Loves Park City Council at 6:10 p.m., as necessitated by the COVID-19 Virus Pandemic

Alderman Doug Allton opened the meeting with an invocation, followed by the Pledge of Allegiance.

Present: Mayor Gregory Jury

Aldermen Charles Frykman, Mark Peterson, Robert Schlensker, Doug Allton, Nancy Warden, John Jacobson, Jim Puckett, Clint Little, John Pruitt

Also Present: City Clerk Bob Burden  
City Attorney Gino Galluzzo

1. Approve Minutes 03/16/20 The Journal of Proceedings for the regular meeting of March 16, 2020 was approved as submitted by the city clerk on a motion by Alderman Little. Second by Alderman Schlensker. Motion carried. 10 Ayes (Aldermen Frykman, Peterson, Holmes, Schlensker, Allton, Warden, Jacobson, Puckett, Little, Pruitt)
2. Ski Broncs Funding Request Received a letter from Steve Kling, Vice-President, requesting funding for the 2020 Ski Broncs Water Ski Show Team. Referred to Alderman Jacobson of the Finance and Administration Committee.
3. Public Safety Report Alderman Allton presented the Police Department Report dated March 23 and March 30, 2020, to be placed on file.
4. Public Works Report Alderman Schlensker presented the Street Department Report dated March 16 and March 30, 2020; presented the Water Department Report dated March 16 and March 30, 2020, to be placed on file.
5. Finance & Administration Committee Alderman Jacobson of the Finance and Administration Committee presented General Fund and all other bills dated March 30, 2020 in the amount of \$566,731.84; for consideration at next week's city council meeting; presented the minutes from the committee meeting held March 16, 2020, to be placed on file.
6. Public Works Committee Alderman Schlensker of the Public Works Committee presented the Water Department list of bills dated March 30, 2020 in the amount of \$52,411.63, for consideration at next week's city council meeting.
7. Codes & Regulations Alderman Peterson of the Codes and Regulations Committee announced that a meeting will be held Monday, April 6, 2020, following city council.

8. Participation In  
Emergency Loan  
Fund

Alderman Jacobson presented the following resolution approving participation in an emergency loan fund supporting area businesses. **WHEREAS**, the current COVID-19 emergency and the resulting Order from the Governor for the closure of businesses throughout the State of Illinois, while necessary for health and safety, is creating economic hardship for businesses throughout Winnebago County including those in Loves Park and affecting our citizens who are employed at such businesses throughout the County; and **WHEREAS**, the Northern Illinois Community Development Corporation (NICDC) in partnership with local banks, the City of Rockford, the County of Winnebago, and First Midwest Group have established a multi-million dollar COVID-19 Emergency Loan Fund to be administered by NICDC and the Rockford Local Development Corporation (RLDC) to provide 90-day bridge loans for businesses located within Winnebago County while they are completing the process to secure Small Business Administration (SBA) loans authorized in recent Federal legislation; and **WHEREAS**, the City of Loves Park has been asked to partner with the foregoing entities to widen the resources available for such loans; and **WHEREAS**, the bridge loans are to be sized from \$5,000 to \$50,000 to provide temporary working capital for creditworthy businesses to carry on operations and to keep employees working. Loans will not be able to be used for rent or existing debt service. The loans will be structured to be paid in full when the business receives its Small Business Administration loan and will be secured by liens or mortgages on business assets as well as with personal guarantees by the owners; and **WHEREAS**, it is in the best interests of the City and its residents to support area business to promote rapid economic recovery from the current crisis and hereby support funding for vital City services; and **WHEREAS**, participation in the COVID-19 Emergency Loan Fund is possible through the use of existing money in the Economic Development Revolving Loan Fund. **NOW THEREFORE BE IT RESOLVED** by the Mayor and the City Council for the City of Loves Park, County of Winnebago and County of Boone, Illinois, that by the adoption of this resolution, that the Mayor and the City Council hereby agree as follows:

1. The above recitals are hereby incorporated into this Resolution as if fully stated herein.
2. The City will enter into a zero-interest loan agreement with the NICDC whereby the City shall loan the sum of Two Hundred Twenty-Five Thousand Dollars (\$225,000) to the NICDC to add to the newly created fund providing short-term bridge loans to creditworthy small businesses in Winnebago County.
3. The Mayor shall work with the City Attorney to document the loan and its terms to protect the interests of the City and shall bring the documentation back to the City Council for approval prior to the City being obligated to fund the loan.
4. Once repaid, the funds shall be returned to the Economic Development Revolving Loan Fund.

Second by Alderman Warden. Motion carried. 10 Ayes (Aldermen Frykman, Peterson, Holmes, Schlensker, Allton, Warden, Jacobson, Puckett, Little, Pruitt)

**RESOLUTION NO. 20-021**

9. 1<sup>st</sup> Reading  
Special  
Temporary  
Powers

Alderman Jacobson moved to table the ordinance amending and/or ratifying an ordinance granting special temporary powers and authority to the Mayor of the City of Loves Park, Illinois in response to a declaration of a local state of emergency, and moved to waive the reading of the ordinance as all aldermen have been provided copies. Second by Alderman Warden. Motion carried. 10 Ayes (Aldermen Frykman, Peterson, Holmes, Schlensker, Allton, Warden, Jacobson, Puckett, Little, Pruitt)

10. Adjourn                      Alderman Jacobson moved that the meeting be adjourned. Second by Alderman Schlensker. Motion carried by voice vote. The meeting was adjourned at 6:19 p.m.

**APPROVED:**

Robert J. Burden, City Clerk

**COMMITTEE MEETINGS:**

Codes & Regulations:

Monday, April 6, 2020  
Following City Council

**STANDING COMMITTEE MEETINGS:**

Community Development:

Following City Council Meeting  
6:15 p.m.

Finance and Administration:

Prior to Council Meeting  
5:40 p.m.

Public Works:

Prior to Council Meeting  
5:15 p.m.

Zoning Board of Appeals:

3<sup>rd</sup> Thursday of the Month  
5:30 p.m.



# CITY OF LOVES PARK

100 HEART BOULEVARD  
LOVES PARK, ILLINOIS 61111  
815-654-5030 • Fax: 815-633-2359

Gregory R. Jury, *Mayor* • Robert J. Burden, *City Clerk* • John C. Danielson, *City Treasurer*

## PROCLAMATION

**WHEREAS**, Keep Northern Illinois Beautiful is a local non-profit dedicated to preserving our local environment through education, community involvement and public awareness; and

**WHEREAS**, the City of Loves Park is proud of its natural resources as well as its neighborhoods and seeks to protect plus improve our community through the action of citizens, government, and businesses working together; and

**WHEREAS**, on April 25, 2020, thousands of volunteers from neighborhood groups, Adopt a Highway programs, and service organizations will gather for the 31<sup>st</sup> annual event to clean up as well as green up our community.

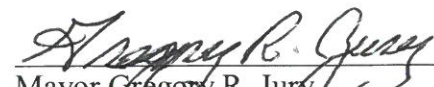
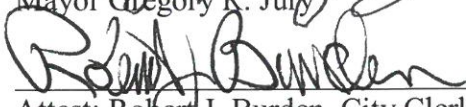
**NOW, THEREFORE**, I, Gregory R. Jury, as Mayor the City of Loves Park, do hereby proclaim Saturday, April 25, 2020 to be:

### ***“GREAT AMERICAN CLEANUP DAY”***

in the City of Loves Park, Illinois and urge all citizens to join in cleanup projects throughout our City and County on April 25, 2020 to keep our community clean, green, and healthy.

IN WITNESS WHEREOF, I have hereunto set my hand and caused the seal of the City of Loves Park to be affixed this 6th day of April, 2020.



  
\_\_\_\_\_  
Mayor Gregory R. Jury  
  
\_\_\_\_\_  
Attest: Robert J. Burden, City Clerk

***“The City with a Heart”***



# **LOVES PARK** **POLICE**

540 Loves Park Drive, Loves Park, IL 61111

Phone 815/654-5015 Fax 815/633-0555

To: Alderman Doug Allton

From: Chief Charles Lynde

Date: 04/06/2020

Subject: Police Activity Report

Police activity report for the week of 03/22/2020 through 03/28/2020

Calls for Service 242

Total Number of Arrests 11

Accidents 2

MICHAEL MCCAMMOND  
DEPUTY CHIEF OF POLICE

CHARLES LYNDE  
CHIEF OF POLICE

SHANE LYNCH  
DEPUTY CHIEF OF POLICE



**Department of Public Works  
Street Department Weekly Activity Report**

Submitted by: Shannon Messinger  
Street Department Manager

Week of March 30, 2020 thru April 6, 2020

**Previous week's activity:**

1. Continued working on trucks.
2. Washed trucks.
3. Helped Water Dept.
4. We are very short staffed due to self-quarantining.

**Proposed work:**

1. Continue working on trucks and equipment.
2. Washed trucks.
3. Help Water Dept. as needed.
4. Still short staffed this week due to self-quarantining.

# **Loves Park Water Department**

## **Weekly Activity Report**

Submitted by: Craig McDonald  
Department Manager

Date: **3/25/20-4/1/20**

Previous week's activity:

1. Routine work:
  - a. Install new meters
  - b. JULIE locates
  - c. Chemical tests
  - d. Back wash wells as needed
  - e. Read commercial and residential meters
2. Suspended radio read meter installation
3. Repaired main break at 5203 N. Second St.

Work anticipated for this week:

1. Routine work

**CITY OF LOVES PARK  
AGENDA  
FINANCE & ADMINISTRATION COMMITTEE  
APRIL 6, 2020 – 5:40 P.M.  
VIRTUAL MEETING HELD AT [WWW.CITYOFLOVESPARK.COM](http://WWW.CITYOFLOVESPARK.COM)**

- 1. CALL TO ORDER**
- 2. ROLL CALL**
- 3. APPROVAL OF MINUTES**
- 4. ITEMS FOR CONSIDERATION**
  - 1. Amending and/or ratifying an ordinance granting special temporary powers and authority to the Mayor of the City of Loves Park, Illinois in response to a declaration of a local state of emergency.**
  - 2. Resolution authorizing the City of Loves Park to execute documents to subordinate their security interests in Arachnid 360 LLC.**
  - 3. Resolution adopting Amendment No. 19 to the City of Loves Park Comprehensive Group Health Plan in relation to the COVID-19 pandemic.**
- 5. LIST OF BILLS**
- 6. GENERAL DISCUSSION/PUBLIC COMMENT**
- 7. ADJOURN**

FINANCE AND ADMINISTRATION COMMITTEE  
MEETING MINUTES  
VIRTUAL MEETING HELD AT WWW.CITYOFLOVESPARK.COM

DATE OF MEETING: March 30, 2020

CALLED TO ORDER: 5:40 P.M.

MEMBERS PRESENT: Aldermen John Jacobson, Mark Peterson, Charles Frykman, John Pruitt

ALSO PRESENT: Mayor Jury, Clerk Burden, Treasurer Danielson, Steve Thompson, Attorney Galluzzo, Aldermen Robert Schlensker, Doug Allton, Nancy Warden, Clint Little,

MINUTES APPROVAL: March 16, 2020

Alderman Pruitt moved to approve minutes. Second by Alderman Frykman.  
Motion carried. 4 Ayes – 0 Nays

ITEMS FOR CONSIDERATION

1. Amending and/or ratifying an ordinance granting special temporary powers and authority to the Mayor of the City of Loves Park, Illinois in response to a declaration of a local state of emergency.

Alderman Pruitt moved to table the ordinance for one week. Second by Alderman Frykman.  
Motion carried. 4 Ayes – 0 Nays

2. List of Bills: No questions or concerns.
3. General Discussion
4. Adjournment.

Alderman Pruitt moved for adjournment. Second by Alderman Frykman.  
Motion carried. 4 Ayes – 0 Nays

Adjournment: 6:00 P.M.

RESPECTFULLY SUBMITTED: CHAIRMAN JACOBSON OF THE FINANCE COMMITTEE

**CITY OF LOVES  
PARK AGENDA  
CODES & REGULATIONS  
COMMITTEE April 6, 2020  
6:15 P.M. VIRTUAL  
CONFERENCE ROOM**

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES FROM THE COMMITTEE MEETING HELD October 28th, 2019.**
4. **ITEMS FOR CONSIDERATION**
  - a. A "Class B" liquor license request for Loves Park Marathon-5905 North Second Street.
  - b. A "Class F" liquor license request for Quality Inn and Suites-4313 North Bell School Road.
  - c. Continued use of the R-4 liquor license by Rockford Bicycle Company-4169 Perryville Road.
5. **PUBLIC COMMENT**
6. **GENERAL DISCUSSION**
7. **ADJOURN**

# **City of Loves Park Codes & Regulations Committee October 28, 2019 Minutes**

- I. Call to Order – the meeting was called to order by Alderman Peterson, Chairman at 6:20 PM.

Committee Members Present – Alderman Little, Alderman Warden, Alderman Puckett. Also in Attendance – Nathan Bruck, Matt Pendergrass

- II. The minutes of the September 23rd 2019 meeting were approved upon a motion by Alderman Little. Second by Alderman Warden. Vote 4 – 0 to approve.

## **III. Items For Consideration**

- A. A Class CTR (catering) Liquor License request from Aero Alehouse, 6164 E. Riverside Blvd.

**Motion to approve by Alderman Little. Second by Alderman Puckett.  
Vote 4 - 0 to approve.**

- B. Discussion of a possible amendment to the Class F liquor license to allow video game machines that do not dispense coins, cash, or tokens, and is for amusement purposes only.

**It was the recommendation of the Committee to allow 2 per location.  
Nate will review with City legal before bringing back to the Committee.**

## **IV. General Discussion – None.**

## **V. Public Comment – None**

- VI. Adjournment – the meeting was adjourned at 6:31 PM upon motions by Alderman Little and Alderman Warden. Vote 4 – 0 in favor.

Respectfully submitted by:  
Mark Peterson  
Committee Chairman

**CITY OF LOVES PARK**

**ALDERMAN JOHN JACOBSON**

**RESOLUTION NO.**

**DATE: APRIL 6, 2020**

**COMMITTEE: FINANCE &  
ADMINISTRATION**

**RESOLUTION AUTHORIZING THE CITY OF LOVES PARK TO EXECUTE  
DOCUMENTS TO SUBORDINATE THEIR SECURITY INTERESTS  
IN ARACHNID 360, LLC**

**WHEREAS**, B.I.G. Properties LLC ("BIG") is the recipient of a Revolving Loan Fund loan for the purchase of certain equipment; and

**WHEREAS**, as security for such loan, the City was granted a security interest in the assets of Arachnid 360, LLC; and

**WHEREAS**, the security interest has, from the outset, been subordinate to the security interest of first BMO Harris Bank and then Wintrust Commercial Banking; and

**WHEREAS**, BIG has remained in good standing on its loan with the City making the payments as required in timely fashion; and

**WHEREAS**, BIG and Arachnid 360, LLC are requesting that the City of Loves Park again subordinate its security interests relating to the City's loan to B.I.G. Properties LLC so that BIG may obtain additional financing from Wintrust Commercial Banking (as St. Charles Bank & Trust Company, ISAOA/ATIMA).

**NOW THEREFORE BE IT RESOLVED** by the City Council of the City, that by the adoption of this resolution, that the Mayor is authorized to execute the attached subordination agreement.

Passed and adopted by City Council of the City of Loves Park this \_\_\_\_ day of April 2020.

\_\_\_\_\_  
Mayor Gregory R. Jury

\_\_\_\_\_  
Attest: City Clerk

\_\_\_\_\_  
Chairman John Jacobson

\_\_\_\_\_  
Alderman Mark Peterson

\_\_\_\_\_  
Alderman John Pruitt

\_\_\_\_\_  
Alderman Charles Frykman

MOTION:

SECOND:

VOTING:

## **EXECUTIVE SUMMARY**

RE: Subordination Agreement - B.I.G. Properties, Inc.

On March 31, 2015, the City of Loves Park entered into 2 separate security agreements with B.I.G. Properties LLC and Arachnid 360, LLC to secure a \$500,000 loan made to B.I.G. Properties, LLC ("Borrower"). Borrower granted the City a mortgage interest in the Premises commonly known as 6212 and 6320/6330 Material Avenue, Loves Park, Illinois ("Premises"). The City's mortgage interest was junior to a primary security interest granted to BMO Harris Bank, N.A. and the Small Business Administration (collectively "Primary Mortgage Holders") to secure the total amount of \$1,334,500.00 ("Senior Obligations"). The City also received a first priority lien in the racking systems located at the Premises and was provided with personal guarantees from Shawn Beall and Anthony P. Beall in the \$500,000 loan.

The City was also provided with a Security Agreement by Arachnid 360, LLC which purports to grant to the City a first priority security interests in all the assets of Arachnid 360, LLC. However, since the inception of the loan, the City's interest in the collateral of Arachnid 360 LLC was always junior to the interest of their primary lender, BMO Harris which had predated the security agreement to the City.

On June 24, 2019, Borrower refinanced its BMO loan with Wintrust Commercial Banking (as St. Charles Bank & Trust Company, ISAOA/ATIMA) who has asked the City to sign a subordination agreement so that it's mortgage interest could be senior to that of the City in the same position as BMO. The Senior loans ahead of the City then totaled \$1,188,439.41, (\$871,774.77 for Wintrust and \$316,664.64), for the SBA. This was a reduction of \$146,060.59 from the initial amount which was senior to the City. At that time the Council approved entering into a subordination agreement putting Wintrust in first position with its lien.

Currently, an additional financing is being planned and the City is again being asked to reaffirm its subordinated status in relation to the new loan. The City's loan original loan to B.I.G. of \$500,000 has been paid down to \$172,284.36 and it is scheduled to be fully satisfied in May of 2022. Regular payments have been made and the loan has not been in default. The new Bank financing will result in an additional \$1,000,000 loan to Arachnid increasing the senior loans ahead of the City by that amount.

The City will continue to hold a first priority lien in the racking systems located at the Premises which the original RLF loan was used to purchase and will also continue to have the personal guarantees from both Shawn Beall and Anthony P. Beall to secure the City's RLF loan. The City will have a junior mortgage position in the real estate as referenced above and will have a junior position in the assets of Arachnid 360.

Last summer, a commercial evaluation report was made by First American Professional Real Estate Services for both the 6320-6330 Material Ave. and 6212 Material Ave. properties. The 6320-6330 Material Ave. property was evaluated at \$24.50 per square foot; approximately \$2,000,000 in total value. The 6212 Material Ave. property was evaluated at \$48.00 per square foot; approximately \$1,700,000 in total value. Note that these are not actual appraisals, so the values are only approximations based on value per square foot. These would tend to show that the value of the real estate alone at roughly \$3,700,000 would be sufficient to pay both the Bank and the City in the event of default and there are still the other assets of both companies available as additional security.



## **AMENDED AND RESTATED SUBORDINATION AGREEMENT**

THIS AMENDED AND RESTATED SUBORDINATION AGREEMENT is dated this 24th day of June, 2019, by and between ST. CHARLES BANK & TRUST, N.A., a Wintrust Community Bank, f/k/a ST. CHARLES BANK & TRUST COMPANY, ISAOA/ATIMA hereinafter referred to as "St. Charles Bank," ARACHNID 360, LLC, an Illinois limited liability company, hereinafter referred to as "Arachnid," and the CITY OF LOVES PARK, hereinafter referred to as "City."

### **RECITALS**

WHEREAS, Arachnid has entered into a lending relationship with St. Charles Bank pursuant to a Term Note 1 dated June 24, 2019 in the original principal amount of \$1,900,000.00, a second Term Note 2 dated June 24, 2019 in the original principal amount of \$490,000, and a Revolving Line of Credit of Note dated June 24, 2019 in the original principal amount of \$2,000,000.00;

WHEREAS, as a part of that lending relationship, Arachnid has executed a General Business and Security Agreement which grants to St. Charles Bank a security interest in all of the assets of Arachnid, hereinafter referred to as the "Collateral";

WHEREAS, St. Charles Bank has required a first security interest in the Collateral as a part of its lending requirements to make the loan to Arachnid;

WHEREAS, the City currently has a security interest in the assets of Arachnid pursuant to a UCC-1 Financing Statement which was filed with the Illinois Secretary of State on April 6, 2015 with a Filing No. 020193050, hereinafter referred to as the "City Financing Statement";

WHEREAS, St. Charles Bank in order to make the loan to Arachnid requires a first security interest in the Collateral and requires that this Subordination Agreement be executed;

WHEREAS, the City and St. Charles Bank executed a Subordination Agreement dated June 24, 2019 by and through which the City agreed to subordinate its security interest in the Collateral to that of St. Charles Bank;

WHEREAS, St. Charles Bank is extending a further loan to Arachnid in the form of a Revolving Line of Credit in the amount of \$1,000,000 which the parties wish to incorporate into the terms of the Subordination Agreement. (The Term Note 1 dated June 24, 2019 in the original principal amount of \$1,900,000.00, a second Term Note 2 dated June 24, 2019 in the original principal amount of \$490,000, a Revolving Line of Credit Note dated June 24, 2019 in the original principal amount of \$2,000,000, and the Revolving Line of Credit Note dated of even date herewith in the original principal amount of \$1,000,000 are hereinafter collectively referred to as the "Notes".

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledge, the parties agree as follows:

1. All of the aforementioned Recitals paragraphs set forth above are incorporated herein by reference as though fully set forth herein.
2. Arachnid has granted to St. Charles Bank a security interest in the Collateral as security for Notes and other obligations of Arachnid to St. Charles Bank, whether currently existing or existing in the future. St. Charles Bank has perfected its security interest in the Collateral pursuant to the filing

of a UCC-1 Financing Statement with the Illinois Secretary of State on June 26, 2019 as document number 024539709.

3. The City is the holder and filer of the City Financing Statement.

4. The City subordinates any and all security interests that it may have in the Collateral as evidenced by the City Financing Statement or any other UCC-1 Financing Statement or Security Agreement that it may possess to the security interest of St. Charles Bank.

5. The City agrees that the subordination of its security interest with respect to the Collateral to the security interest of St. Charles Bank in the Collateral shall have the same force and effect as though the security interest of St. Charles Bank (as evidenced by its UCC-1 Financing Statement) have been executed, delivered and recorded with the Illinois Secretary of State prior to the execution, delivery and recording of any UCC-1 Financing Statement by the City.

6. The parties agree that St. Charles Bank shall have a first security interest in the Collateral.

7. The City further agrees and consents that in any proceedings that may be instituted by St. Charles Bank, its successors or assigns, with respect to the Collateral, including collection, foreclosure and/or replevin proceedings, that St. Charles Bank shall have a first security interest in the Collateral, including all proceeds generated from the liquidation thereof and that said proceeds shall be applied first to the indebtedness of Arachnid to St. Charles Bank evidenced by the Notes or any other notes, loan documents, or other obligations of Arachnid to St. Charles Bank, whether now existing or existing in the future, and any remainder shall thereafter be applied to the indebtedness of Arachnid to the City. The City further agrees that it shall receive no proceeds from the liquidation of the Collateral until St. Charles Bank has been paid in full for all amounts advanced to Arachnid whether under the Notes or any other loan documents, whether now existing or existing in the future.

8. The City further states that in the event of any bankruptcy filed by Arachnid, whether voluntary or involuntary, the security interest of St. Charles Bank shall be first and superior as to the Collateral and that St. Charles Bank shall be paid first with respect to the proceeds of sale of any of the Collateral.

9. The parties agree that in the event of any bankruptcy action, collection litigation, or other court proceeding, that St. Charles Bank shall have the absolute right to rely on this Amended and Restated Subordination Agreement as evidence of its first security position with respect to the Collateral. The City and Arachnid hereby waive any and all right to challenge the first security position of St. Charles Bank in the Collateral.

10. The City and Arachnid acknowledge and agree that but for this agreement signed by all parties, St. Charles Bank would not have agreed to have made the loan to Arachnid evidenced by the Notes. The City and Arachnid further agree that the loan evidenced by the Notes provides a benefit and ample consideration to each of them.

11. This Amended and Restated Subordination Agreement shall be construed pursuant to the laws of the State of Illinois and shall be binding upon the parties, their successors, heirs and assigns.

12. This Amended and Restated Subordination Agreement may be executed in any number of counterparts, all of which shall be taken to be one and the same instrument, for the same effect as if all parties hereto had signed the same signature page. Receipt of an executed signature page to this Subordination Agreement by facsimile or other electronic transmission shall constitute effective delivery thereof.

IN WITNESS WHEREOF, the parties have caused this Amended and Restated Subordination Agreement to be executed as of the day and year first written above.

ST. CHARLES BANK & TRUST, N.A., a Wintrust  
Community Bank, f/k/a ST. CHARLES BANK &  
TRUST COMPANY, ISAOA/ATIMA

By: \_\_\_\_\_  
Printed Name: Michele Petrie  
Its: President - Rockford

SUBSCRIBED and SWORN to  
before me this \_\_\_\_\_ day of April, 2020.

\_\_\_\_\_  
Notary Public

ARACHNID 360, LLC, an Illinois limited liability  
company.

By: \_\_\_\_\_  
Printed Name: Anthony P. Beall  
Its: Manager

SUBSCRIBED and SWORN to  
before me this \_\_\_\_\_ day of April, 2020.

\_\_\_\_\_  
Notary Public

THE CITY OF LOVES PARK

By: \_\_\_\_\_  
Printed Name: \_\_\_\_\_  
Its: Mayor

SUBSCRIBED and SWORN to  
before me this \_\_\_\_\_ day of April, 2020.

\_\_\_\_\_  
Notary Public

## **CITY OF LOVES PARK**

**BY ALDERMAN**

**RESOLUTION NO.**

**DATE: April 6, 2020**

**DEPARTMENT: City Clerk's Office**

**RESOLVED, that by the adoption of this resolution,**

**The City of Loves Park shall adopt Amendment Number 19 to the City of Loves Park Comprehensive Group Health Plan, amending the Summary Plan Description to reflect federal mandates related to the COVID-19 pandemic.**

\_\_\_\_\_  
**Ald. John Jacobson, Chairman**

\_\_\_\_\_  
**Ald. Chuck Frykman**

\_\_\_\_\_  
**Ald. Mark Peterson, Vice Chairman**

\_\_\_\_\_  
**Mayor Gregory R. Jury**

\_\_\_\_\_  
**Ald. John Pruitt**

\_\_\_\_\_  
**Attest: Robert J. Burden**

**MOTION:  
SECOND:  
VOTING:**

**EMPLOYEE BENEFIT PLAN  
Amendment**

BY THIS AGREEMENT, the Employee Benefit Plan is hereby amended in the following particulars, effective March 1, 2020:

1. For claims specifically related to COVID-19; FDA-approved diagnostic testing and related expenses will be covered at 100% with no cost sharing to the participant, including the HDHP, if applicable.
2. For testing or treatment specifically related to COVID-19; there will be no requirements for prior authorization, pre-certification or medical management.
3. Telemedicine visits will be covered as outlined in the Summary of Benefits.
4. Health coverage will be continued for employees who are not able to work and need to take a leave of absence due to COVID-19 challenges, including health concerns or school and daycare closures.
5. The definition of "Actively-at-Work" is changed to include employees who are working at home during the COVID-19 pandemic and employees who were Actively-at-Work on the day prior to closure of the business, if applicable.
6. Any exclusion related to a State of Emergency is deleted.

## **CITY OF LOVES PARK**

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### **ORDINANCE NO. 4331-20**

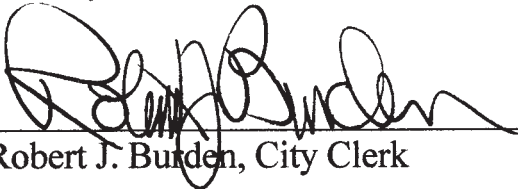
**AN ORDINANCE GRANTING SPECIAL TEMPORARY POWERS  
AND AUTHORITY TO THE MAYOR OF THE CITY OF  
LOVES PARK, ILLINOIS IN RESPONSE TO A DECLARATION  
OF A LOCAL STATE OF EMERGENCY**

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**ADOPTED BY THE MAYOR AND CITY COUNCIL  
OF THE CITY OF LOVES PARK, ILLINOIS, THIS  
16TH DAY OF MARCH, 2020**

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**Published in Pamphlet Form by  
authority of the Mayor and City Council  
of the City of Loves Park, Illinois, this  
19th day of March, 2020.**



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**Robert J. Burden, City Clerk**

**AN ORDINANCE GRANTING SPECIAL TEMPORARARY POWERS AND  
AUTHORITY TO THE MAYOR OF CITY OF LOVES PARK, ILLINOIS IN  
RESPONSE TO A DECLARATION OF A LOCAL STATE OF EMERGENCY**

**WHEREAS**, on March 10, 2020, the Governor of Illinois made a formal disaster declaration as a result of the spread of the COVID-19 virus; and

**WHEREAS**, on March 11, 2020, the World Health Organization declared the outbreak of COVID-10 to be a worldwide pandemic; and

**WHEREAS**, on March 13, 2020, the Governor of Illinois ordered the closing of all public and private schools as a part of the effort to mitigate the spread of the COVID-19 virus; and

**WHEREAS**, on March 15, 2020, the Governor order the closing of all bars and dine-in restaurants as a further effort to mitigate the spread of the COVID-19 virus; and

**WHEREAS**, the State Emergency Management Agency has declared a public Health emergency due to the impact of the COVID-19 virus; and

**WHEREAS**, the COVID-19 virus represents a threat to public safety and welfare; and

**WHEREAS**, on March 16, 2020, Pursuant to 65 ILCS 5-11-1-6, the Mayor of the City of Loves Park has made a Declaration of a Local State of Emergency; and

**WHEREAS**, 65 ILCS 5-11-1-6 provides that a municipality may make a declaration of a state of emergency and states that “the corporate authorities of each municipality may by ordinance grant to the mayor the extraordinary power and authority to exercise, by executive order, during a state of emergency, such of the powers of the corporate authorities as may be reasonably necessary to respond to the emergency;” and

**WHEREAS**, to protect the life, health and safety of the citizens of Loves Park, it is prudent, reasonable and necessary to take extraordinary precautions and the City desires to provide for the

exercise of extraordinary powers by executive order of the Mayor during the state of emergency; and

**WHEREAS**, it is deemed reasonable, necessary and prudent by the City Council to provide additional authority to the Mayor to be able to act swiftly to respond to the situations which may arise from this emergency.

**NOW THEREFORE, IT IS HEREBY DECLARED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF LOVES PARK, ILLINOIS THAT A STATE OF EMERGENCY EXISTS AND IT IS ORDAINED THAT DURING THE PEIOD OF EMERGENCY, THE MAYOR WILL HAVE ADDITIONAL POWERS AND AUTHORITY AS GRANTED HEREIN.**

1. Pursuant to this Declaration, the Mayor and, at his direction, all City Department heads, are to coordinate with all County, State and National agencies to provide for a unified response to the COVID-19 virus.
2. The Mayor is granted the authority to direct the resources of the City and to take all actions reasonably necessary to respond to the emergency.
3. The Mayor may approve previously appropriated expenditures and the payment of bills received in the ordinary course of business of the City for the purpose of continuing the operations of the City. As soon as practicable thereafter, the Mayor shall submit the City Council a detail of the expense.
4. In addition thereto, and in accordance with Section 2-388 of the Loves Park Code of Ordinances, the Mayor or his designee is authorized on behalf of the City to procure such services, supplies, equipment, or materials as may be necessary for such purposes, in view of exigency, without regard to the statutory procedures or formalities normally prescribed by City Code or other law pertaining to city contracts, purchases or obligations. As soon as practicable thereafter, the mayor shall submit the City Council a detail of the expense and the reason that a determination of extraordinary circumstances was made.
5. Pursuant to Executive Order of the Governor suspending the Open Meetings Act, any regular or special meeting of the City Council may be conducted at the call of the Mayor

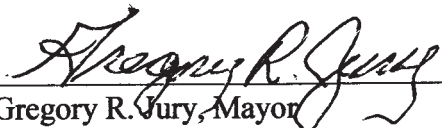


or two Council members via electronic means including audio or video conference. Such meetings may be held, providing such notice to the public and media as is reasonable under the circumstances, and if possible, providing access to the public and including a means for public participation. All such meetings shall be considered “emergency Meetings” under the law. During this period of emergency, Council Rules are hereby modified to require an affirmative vote of a majority of a quorum present, electronically or physically, at the meeting for the passage of any Council bill or to provide policy direction.


6. The Mayor may cancel meetings of any board or commission to which the Mayor appoints members. Any such cancellation shall automatically extend such deadlines for required actions by such board or commission as is specified in the cancellation notice. Committees of the City Council are governed by the Chair of each such Committee.
7. The Mayor may suspend licenses or permits for special events or any other licenses or permits issued by the City which in the judgment of the Mayor could impact the public health or well-being of residents or visitors to the community.
8. The Mayor is authorized to adjust any personnel policies related to leave time, other benefits or terms and conditions of employment as are reasonably related to providing sufficient staffing during the term of the emergency.
9. The Mayor is hereby authorized to enter into such temporary agreements, including memoranda of understanding with the City’s bargaining units in order to promote the provision of City services and the health and safety of the public and employees during the emergency.
10. The Mayor is hereby authorized to close City facilities as is reasonably required to protect the health of the public and employees of the City.
11. At the direction of the Mayor, the City Attorney is hereby authorized to extend any timeframe for payment or filing related to City ordinance violations in recognition of the emergency.
12. The Mayor, upon the recommendation of the City Treasurer, is hereby authorized to reasonably extend deadlines for payment related to any amounts due and owing to the City.

13. The City of Loves Park may continue to spend funds at the same rate as in the 2019-2020 Appropriation Ordinance until the 2020-2021 Appropriation Ordinance is approved and the City Treasurer is hereby authorized to make appropriation transfers within funds as provided by law for the payment of sums due from the City during the term of this Ordinance.
14. This Ordinance and the powers afforded the Mayor herein shall be effective for a period of thirty (30) days from the date enacted and shall continue for thirty (30) day periods thereafter unless repealed or amended by the City Council which may repeal this Ordinance at any time.
15. This Ordinance and the associated powers designated herein shall become effective immediately upon passage by the Corporate Authorities of the City of Loves Park.
16. If any provision of this Ordinance or the application thereof to any person or circumstance is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this Declaration and Ordinance that can be given effect without the invalid application or provision and each invalid provision or invalid application of this Declaration is severable.

Passed this 16<sup>th</sup> day of March, 2020.

  
Gregory R. Jury, Mayor

Attest:

  
Robert Burden, City Clerk

AYES:            8

NAYS                      

ABSENT        2

PUBLISHED IN PAMPHLET FORM

STATE OF ILLINOIS           )  
COUNTY OF WINNEBAGO    )  
CITY OF LOVES PARK        )

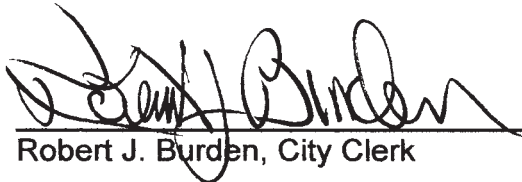
### **CERTIFICATE**

**I, ROBERT J. BURDEN**, certify that I am the duly elected and acting Municipal Clerk of the City of Loves Park, Winnebago County, Illinois.

I further certify that on March 16, 2020, the Corporate Authorities passed Ordinance No. 4331-20, entitled "An Ordinance Granting Special Temporary Powers and Authority to the Mayor of the City of Loves Park, Illinois in Response to a Declaration of a Local State of Emergency," and by its terms, that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 4331-20, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted in the municipal building, commencing on March 19, 2020, and continuing for at least ten days thereafter. Copies of such ordinance were also available for public inspection, upon request, in the office of the municipal clerk.

Dated at Loves Park, Illinois, this March 19, 2020.

  
Robert J. Burden, City Clerk

**DECLARATION OF EMERGENCY**  
**A DECLARATION BY THE MAYOR OF THE CITY OF LOVES PARK OF A STATE**  
**OF LOCAL EMERGENCY DUE TO THE COVID-19 PANDEMIC**

**WHEREAS**, on March 10, 2020, the Governor of the State of Illinois made a formal disaster declaration as a result of the spread of the COVID-19 virus; and

**WHEREAS**, on March 11, 2020, the World Health Organization declared the outbreak of COVID-19 to be a worldwide pandemic; and

**WHEREAS**, the Illinois State Emergency Management Agency has declared a public Health Emergency due to the impact of the COVID-19 virus; and

**WHEREAS**, the COVID-19 virus represents a threat to public safety and welfare; and

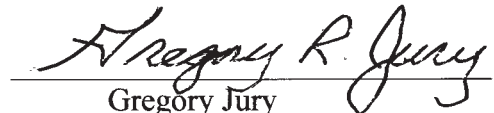
**WHEREAS**, Pursuant to the authority vested in the office of the Mayor by the Illinois Municipal Code, Section 5/11-1-6 and the Illinois Emergency Management Agency Act Section 3305/11, the Mayor of a Municipality has the authority to declare a Local State of Emergency.

**NOW THEREFORE, I, GREGORY JURY, THE MAYOR OF THE CITY OF LOVES PARK, ILLINOIS DO HEREBY DECLARE THAT A LOCAL STATE OF EMERGENCY EXISTS EFFECTIVE IMMEDIATELY AS OF THIS DATE, MARCH 16, 2020 AND SHALL CONTINUE UNTIL SUCH TIME AS PROVIDED FOR BY ACTION OF THE CITY COUNCIL.**

1. During the existence of the Local State of Emergency, the Mayor shall execute such authority as provided under the Illinois Municipal Code, the Illinois Emergency Management Agency Act and pursuant to Ordinance of the City Council.
2. This Declaration of Local State of Emergency shall be filed with the City Clerk as soon as practicable.

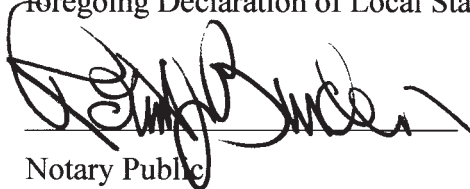
3. Pursuant to 5 ILCS 120/2.02(c), a Special Emergency Meeting of the Corporate Authorities of the City of Loves Park is hereby called on Monday March 16, 2020 at 6:05 p.m. in the City Council Chambers at 100 Heart Boulevard, Loves Park, Illinois for the purpose of passing an Ordinance ratifying this Local State of Emergency Declaration and identifying the actions being taken in response thereto.
4. This Declaration shall be provided to the local news media and posted in accordance with the custom and practice of the City relating to Notice of public meetings.

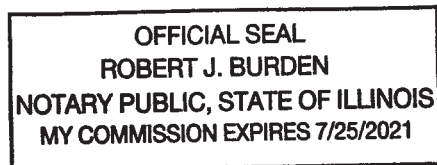
Dated this 16<sup>th</sup> Day of March 2020.

  
\_\_\_\_\_  
Gregory Jury  
Mayor

STATE OF ILLINOIS                    )  
  ) SS  
COUNTY OF WINNEBAGO            )

On this 16<sup>th</sup> day of March 2020, Gregory Jury, personally known to me to be the duly elected Mayor of the City of Loves Park, appeared before me and acknowledged the signing of the foregoing Declaration of Local State of Emergency to be his free and voluntary act.

  
\_\_\_\_\_  
Notary Public



**Minutes of the Special Emergency Meeting of the Loves Park City Council**  
**Monday, March 17, 2020**  
**Loves Park City Hall**  
**Called to Order: 6:13 P.M.**  
**Adjourned: 6:22 P.M.**

**Present: Mayor Greg Jury, City Clerk Bob Burden, City Attorney Gino Galluzzo, Aldermen John Pruitt, Chuck Frykman, Mark Peterson, Robert Schlensker, Doug Allton, Nancy Warden, John Jacobson, Clint Little**

**Absent: Alderman A. Marie Holmes, Jim Puckett**

**Mayor Jury convened the Special Emergency Meeting at 6:13 P.M. for the purpose of considering an emergency declaration ordinance granting special temporary powers and authority to the Mayor in response to a declaration of a local state of emergency regarding the COVID-19 Virus outbreak throughout Illinois.**

**City Attorney Gino Galluzzo outlined the proposed ordinance, which would grant authority to the Mayor to direct resources of the City of Loves Park and to take all actions reasonably necessary to respond to the emergency. Discussion followed.**

**Motion by Alderman Pruitt to approve the Ordinance granting special temporary powers and authority to the Mayor of the City of Loves Park, Illinois in response to a declaration of a local state of emergency. Second by Alderman Jacobson. Motion carried. 8 Ayes (Aldermen Pruitt, Frykman, Peterson, Schlensker, Allton, Warden, Jacobson, Little) 2 Absent (Aldermen Holmes, Puckett)**

**ORDINANCE NO. 4331-20**

**Motion by Alderman Jacobson, second by Alderman Schlensker to adjourn. Motion carried by voice vote. The meeting was adjourned at 6:22 P.M.**

**Minutes by City Clerk Bob Burden**