

VILLAGE OF LOMBARD  
REQUEST FOR BOARD OF TRUSTEES ACTION

For Inclusion on Board Agenda

  X   Resolution or Ordinance (Blue)          *Waiver of First Requested*  
       Recommendations of Boards, Commissions & Committees (Green)  
       Other Business (Pink)

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: March 11, 2004 (COW)(B of T) March 18, 2004

TITLE: A Resolution Poviding for the Financing by the Village of Lombard, Illinois of an Industrial Project for Elmhurst Memorial Healthcare; Authorizing the Issuance of \$6,500,000 Variable Rate Demand Revenue Bonds, Series 2004; Authorizing the Execution and Delivery of a Loan Agreement, Bond Trust Indenture, A Tax Exemption Agreement; Authorizing the Execution of a Bond Placement Agreement; and related matters.

SUBMITTED BY: Leonard J. Flood, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The attached resolution has been prepared by Village Bond Counsel James Shanahan of Ice Miller to authorize the issuance of up to \$6.5 million in Village of Lombard Variable Rate Demand Revenue Bonds for the Elmhurst Memorial Healthcare Project. The debt service on the bonds is payable solely from the revenues of the project and is not an obligation of the Village of Lombard nor does this indebtedness count toward the Village's legal debt limit.

The following documents referred to in the resolution will be provided to the Village early next week.

1. The Loan Agreement;
2. The Bond Trust Indenture dated as of March 15, 2004 (the "Indenture"), between the Issuer and the Trustee, setting forth terms, conditions and security requirements for the proposed bond issue and containing the form of the Bonds;
3. The Bond Placement Agreement (the "Bond Placement Agreement"), among the Issuer, the Borrower, the Credit Facility Issuer and the Placement Agent; and
4. The Tax Exemption Agreement dated as of March 15, 2004 (the "Tax Agreement") among the Issuer, the Trustee and the Borrower;
5. Private Placement Memorandum

Due to the size of these documents, I will not forward copies to the Village Board unless requested. I will have a complete set of these documents available in my office for review prior to the meeting

The Village is acting as the conduit agency for the issuance of the Bonds in order to provide their tax exempt status. In addition, Elmhurst Memorial Healthcare is issuing \$10.6 million in Taxable Variable Rate Demand Revenue bonds directly to fund the cost of their new Lombard facility.

In accordance with the provisions of the Ordinance 4910 Elmhurst Memorial Healthcare will pay the Village a ¼% issuance fee (\$16,250) in addition to payment of out of pocket expenses including legal services.

Review (as necessary):

|                          |            |
|--------------------------|------------|
| Village Attorney X _____ | Date _____ |
| Finance Director X _____ | Date _____ |
| Village Manager X _____  | Date _____ |

NOTE: All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the Agenda Distribution.