

VILLAGE OF LOMBARD
REQUEST FOR BOARD OF TRUSTEES ACTION
For Inclusion on Board Agenda

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

TO: PRESIDENT AND BOARD OF TRUSTEES

FROM: William T. Lichter, Village Manager

DATE: April 27, 2006 (COW)(B of T) May 4, 2006

TITLE: Lombard Public Facilities Corporation Series C-2 and C-3 Refunding Bonds

SUBMITTED BY: Leonard J. Flood, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

In September 2005 the Lombard Public Facilities Authority issued \$22,460,000 in 2005 Series C Third Tier Bonds for the Construction of the Westin Hotel and Conference Center. These bonds were issued in three series: Series C-1 in the amount of \$6,000,000, Series C-2 in the amount of \$5,000,000 and Series C-3 in the amount of \$11,460,000. As part of the original bond indenture, it was provided that the LPFC may issue Refunding Bonds to finance a refunding of all or a portion of the Series 2005 C-2 Bonds and Series 2005 C-3 Bonds. At the time the original bonds were issued it was intended that these would be remarketed by a broker and refunded.

At the beginning of April 2006, it was confirmed that the entire \$5,000,000 Series 2005 C-2 Bonds and \$1,775,000 in Series 2005 C-3 Bonds had been sold. The original purchaser of the 2005 Series C-3 Bonds, John Nuveen and Company, decided to retain \$9,685,000 of 2005 Series C-3 bonds in their own portfolio. In order for the sale of the \$5,000,000 2005 Series C-2 Bonds and \$1,775,000 in 2005 Series C-3 Bonds to occur, the original bonds needed to be refunded and new bonds issued to the purchasers. The closing date was April 28, 2006.

On April 26, 2006 the Lombard Public Facilities Authority approved the issuance of \$5,000,000 in Conference Center and Hotel Third Tier Refunding Revenue Bonds Series 2006 C-2 and \$1,775,000 Conference Center and Hotel Third Tier Refunding Revenue Bonds Series 2006 C-3. Due to the timing of the bonds closing, it was necessary for the Village President and Village Clerk to sign the General Certificate of the Village of Lombard (attached) which approved the sale on behalf of the Village. Village Bond Counsel James Shanahan has requested that the Village Board ratify the action of the Village President and the Village Clerk. All costs associated with this refunding were provided for in the original bond issue with funds to cover these costs held in various accounts by the trustee, Amalgamated Bank of Chicago. Therefore, there is no additional or unanticipated expense to the project as a result of this transaction.

Review (as necessary):

Village Attorney X

Finance Director X

Village Manager X

Leonard J. Flood
W. T. Lichter

Date _____
Date 04/27/06
Date 4/27/06

**GENERAL CERTIFICATE OF
THE VILLAGE OF LOMBARD, ILLINOIS**

The undersigned, on behalf of the Village of Lombard, Illinois (the "Village"), do hereby certify as follows as of the 28th day of April, 2006:

1. The Village hereby approves the issuance by the Lombard Public Facilities Corporation (the "LPFC") of its Conference Center and Hotel Third Tier Refunding Revenue Bonds, Series 2006C-2 in the aggregate principal amount of \$5,000,000 and its Conference Center and Hotel Third Tier Refunding Revenue Bonds, Series 2006C-3 in the aggregate principal amount of \$1,775,000 (collectively, the "Series 2006 Bonds"), pursuant to the terms of the Indenture of Trust dated as of August 1, 2005, as supplemented by the First Supplemental Trust Indenture dated as of April 1, 2006, and the current refunding of all of the Conference Center and Hotel Third Tier Revenue Bonds, Series 2005C-2 and a portion of the Conference Center and Hotel Third Tier Revenue Bonds, Series 2005C-3 (collectively, the "Refunding") with the proceeds thereof.

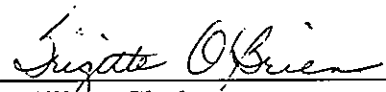
2. All proceedings of the Village relating to the issuance by the LPFC of its Conference Center and Hotel Third Tier Revenue Bonds, Series 2005C in the aggregate issued amount of \$22,460,000 are hereby reaffirmed and are in full force and effect on the date hereof as if made on the date hereof.

IN WITNESS WHEREOF, we have set our hands as of the date first written above.

VILLAGE OF LOMBARD

[SEAL]

By 
Village President

By 
Village Clerk