050161

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: April 5, 2005 (COW)(B of T) April 7, 2005

TITLE: Resolution Approving a Tax Rebate Agreement and a Letter of Credit Agreement in Regard to the Development of a Convention Hall and Hotel in the Village of Lombard, DuPage County, Illinois

SUBMITTED BY: Leonard J. Flood, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

On October 21, 2004, the Village Board passed Resolution 65-05 approving a Tax Rebate Agreement and a Letter of Credit Agreement for the Convention Hall and Hotel Project and repealing Resolution 31-05. The attached resolution repeals Resolution 65-05. The changes to the exhibits attached to the new resolution before the Village Board are as follows.

1. The Tax Rebate Agreement has been changed to reflect (a) the increase in the Village's supplemental reserve from $900,000 to $2,000,000; (b) the increase in the coverage ratio requirement from 1.40:1.00 to 1.50:1.00 (c) the change from two years to three years that the new coverage ratio would need to be achieved before this reserve requirement would cease (d) and the obligation of LPFC to obtain a surety bond to cover the increase of $1,100,000 million in the Village's supplemental reserve substantially in the form as attached in Exhibit E. This policy would be called upon in the event that project revenues were insufficient to pay the debt service expense on the Series A Bonds, all other reserves (other than the Series A Debt Service Reserve Fund) had been exhausted and the Village's supplemental reserve was called upon in an amount in excess of $900,000.

2. The Letter of Credit Agreement contains minor changes that track the changes made in the Tax Rebate Agreement.

Please place this item on the Village Board's agenda for approval at the April 7, 2005 meeting.

Review (as necessary):

Village Attorney X ____________________ Date ________

Finance Director X Leonard J Flood Date 4/5/05

Village Manager X W.T. Lichter Date 4/5/05

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.

RESOLUTION NO. ____________

A RESOLUTION APPROVING A TAX REBATE AGREEMENT AND A LETTER OF CREDIT AGREEMENT IN REGARD TO THE DEVELOPMENT OF A CONVENTION HALL AND HOTEL IN THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS

BE IT RESOLVED by the President and Board of Trustees of the Village of Lombard, DuPage County, Illinois, as follows:

SECTION 1: The President and Board of Trustees of the Village of Lombard, DuPage County, Illinois (hereinafter referred to as the "VILLAGE") hereby find as follows:

A. The VILLAGE is an Illinois municipality pursuant to Section 7 of Article VII of the Constitution of the State of Illinois of 1970.

B. The Lombard Public Facilities Corporation (hereinafter referred to as the "LPFC") is an Illinois not-for-profit corporation formed by the VILLAGE.

C. Within the corporate limits of the VILLAGE, is an approximately 6.69 acre parcel of real estate generally located at the Northeast corner of the Yorktown Shopping Center and legally described in EXHIBIT A (hereinafter referred to as the "SUBJECT PROPERTY") attached to the "Tax Rebate Agreement Between the Lombard Public Facilities Corporation and the Village of Lombard, DuPage County, Illinois, in Regard to the Development of a Convention Hall and Hotel in the Village of Lombard" attached hereto as EXHIBIT 1 and made a part hereof (the "Tax Rebate Agreement").

D. The LPFC, in the very near future, will be the fee simple owner of the SUBJECT PROPERTY.

E. The VILLAGE has long desired to encourage the development of a hotel and convention hall with associated banquet facilities, restaurants and other facilities (the "Hotel and Convention Hall") as a means of promoting tourism and other business activity within the VILLAGE.

F. The VILLAGE has determined that the optimal financial structure for the financing of a Hotel and Convention Hall development will include, among other things, the issuance of tax exempt revenue bonds through the LPFC, coupled with the rebate by the VILLAGE of all hotel/motel taxes, all retailers' occupation taxes, all service occupation taxes and all places of eating taxes generated by the Hotel and Convention Hall or the operation thereof, along with additional VILLAGE guaranties which are subject to prior appropriation, as security for a portion of said bonds.

G. The LPFC has indicated its desire to issue exempt revenue bonds (the "Bond Financing"), develop a Hotel and Convention Hall on the SUBJECT PROPERTY (collectively the "Project"), all as described in EXHIBIT B attached to EXHIBIT 1 hereto (the "Project Description"), and otherwise construct the Project in accordance with VILLAGE Ordinance Nos. 5396 and 5397, adopted on November 20, 2003.

H. In regard to the aforementioned rebate of taxes to the LPFC for the Project, Harp Lombard, LLC, an Illinois limited liability company, (hereinafter referred to as "HARP") has agreed to provide the VILLAGE with a letter of credit backing, in the form of the "Letter of Credit Agreement" attached hereto as EXHIBIT 2 and made part hereof, in further satisfaction of HARP'S obligations to the VILLAGE as more fully set forth in the agreement between HARP and the VILLAGE dated December 1, 2003, and approved pursuant to Resolution No. R-64-04, adopted November 20, 2003.

I. In connection with the Project, the VILLAGE and the LPFC, with the assistance of consultants and advisors, have prepared a proforma showing the sources and uses of funds and a projected cash flow summary through the year 2035 for the Project (the "Project Proforma") and a project budget estimating and itemizing costs and expenses relating to the Project (the "Project Budget"), copies of which Project Proforma and Project Budget are attached to EXHIBIT 1 hereto as EXHIBIT C and EXHIBIT D, respectively.

J. The Bond Financing requires the LPFC to issue senior lien tax exempt revenue bonds and subordinate lien tax exempt revenue bonds in a sufficient amount to provide funds to construct the Hotel and Convention Hall, establish various reserves and pay the costs of issuance and otherwise complete the Project, all as generally described in the Project Description.

K. In regard to the SUBJECT PROPERTY, the VILLAGE has determined as follows:

1. The SUBJECT PROPERTY is vacant and has remained vacant for at least one (1) year;

2. The Project is expected to create job opportunities within the VILLAGE;

3. The Project will serve to further the development of adjacent areas;

4. Without the Tax Rebate Agreement, the Project would not be possible;

5. The operator of the Hotel and Convention Hall, as selected by the LPFC to operate the Hotel and Convention Hall on behalf of the LPFC, meets/will meet the criteria set forth in 65 ILCS 5/8-11-20(6)(A) and/or (B);

6. The Project will strengthen the commercial sector of the VILLAGE;

7. The Project will strengthen the tax base of the VILLAGE; and

8. The rebate of hotel/motel taxes, as provided for by 65 ILCS 5/8-3-14 and Sections 98.60 through 98.63 of the Lombard Village Code, will promote overnight stays within the VILLAGE at the hotel portion of the Project.

L. Article VII, Section 10 of the Illinois Constitution of 1970 authorizes municipalities to contract and otherwise associate with individuals, associations and corporations in any manner not prohibited by law or ordinance.

M. The VILLAGE is authorized to proceed with the Project pursuant to the Illinois Compiled Statutes, 65 ILCS 5/11-65-1, et. seq., in that the VILLAGE will become the owner of the Hotel and Convention Hall upon the repayment of all the bonds issued by the LPFC.

N. As the VILLAGE will become the owner of the Hotel and Convention Hall upon the repayment of all the bonds issued by the LPFC, the VILLAGE will benefit from the tax rebates and guaranties referenced in subsection F above.

O. It is anticipated that the Project will generate increased hotel/motel tax revenues, places of eating tax revenues, retail occupation tax revenues and service occupation and tax revenues for the VILLAGE.

P. It is anticipated that the Project will generate increased employment opportunities for residents of the VILLAGE.

Q. Construction of the Project would not be economically feasible for the LPFC without the VILLAGE'S economic assistance.

R. The VILLAGE is desirous of having the SUBJECT PROPERTY rehabilitated, developed and redeveloped in order to serve the needs of the VILLAGE, increase employment opportunities, stimulate commercial growth and stabilize the tax base of the VILLAGE and in furtherance thereof, the VILLAGE is willing to undertake certain incentives, under the terms and conditions set forth in EXHIBIT 1, and subject to EXHIBIT 2, to assist the LPFC.

S. The President and Board of Trustees of the VILLAGE have determined that it is in the best interests of the VILLAGE to approve the agreements attached hereto as EXHIBIT 1 and EXHIBIT 2 and pursue the development of the Project.

SECTION 2: That based on Section 1 above, the President and Board of Trustees hereby approve the "Tax Rebate Agreement Between the Lombard Public Facilities Corporation and the Village of Lombard, DuPage County, Illinois, in Regard to the Development of a Convention Hall and Hotel in the Village of Lombard" attached hereto as EXHIBIT 1, and hereby authorize and direct the Village President and Deputy Village Clerk to execute same, on behalf of the VILLAGE, as well execute any and all additional documents necessary to carry out the terms and provisions of said EXHIBIT 1.

SECTION 3: That based on Section 1 above, the President and Board of Trustees hereby approve the "Letter of Credit Agreement" attached hereto as EXHIBIT 2, and hereby authorize and direct the Village President and Deputy Village Clerk to execute same, on behalf of the VILLAGE, as well execute any and all additional documents necessary to carry out the terms and provisions of said EXHIBIT 2.

SECTION 4: That Resolution No. 65-05, adopted October 21, 2004, entitled, "A Resolution Approving a Tax Rebate Agreement and Letter of Credit Agreement in Regard to the Development of a Convention Hall and Hotel in the Village of Lombard, DuPage County, Illinois," is hereby repealed.

ADOPTED this ____ day of _______________, 2005, pursuant to a roll call vote as follows:

AYES: ____

NAYS: ____

ABSENT: ____

APPROVED by me this ___ day of _________________, 2005.

____
William J. Mueller
Village President

ATTEST:

____
Barbara A. Johnson
Deputy Village Clerk

EXHIBIT 1

<u>Tax Rebate Agreement</u>

TAX REBATE AGREEMENT BETWEEN THE LOMBARD PUBLIC FACILITIES CORPORATION AND THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, IN REGARD TO THE DEVELOPMENT OF A <u>CONVENTION HALL AND HOTEL IN THE VILLAGE OF LOMBARD</u>

THIS TAX REBATE AGREEMENT (hereinafter referred to as the "Agreement") is between the VILLAGE OF LOMBARD, DuPage County, Illinois, an Illinois municipal corporation (hereinafter referred to as the "VILLAGE"), and the LOMBARD PUBLIC FACILITIES CORPORATION, an Illinois not-for-profit corporation (hereinafter referred to as the "LPFC"), and is dated this ___ day of _________________, 2005.

<u>W I T N E S S E T H</u>

IN CONSIDERATION of the Preliminary Statements, the mutual covenants herein contained, and other good and valuable consideration, the sufficiency and receipt of which is hereby acknowledged, the parties hereto agree as follows:

I. PRELIMINARY STATEMENTS

Among the matters of mutual inducement which have resulted in this Agreement are the following:

A. The VILLAGE is an Illinois municipality pursuant to Section 7 of Article VII of the Constitution of the State of Illinois of 1970.

B. Within the corporate limits of the VILLAGE, is an approximately 6.69 acre parcel of real estate generally located at the Northeast corner of the Yorktown Shopping Center and legally described in EXHIBIT A attached hereto and made a part hereof (hereinafter referred to as the "SUBJECT PROPERTY").

C. The LPFC is, or in the very near future will be, the fee simple owner of the SUBJECT PROPERTY.

D. The VILLAGE has long desired to encourage the development of a hotel and convention hall with associated banquet facilities, restaurants and other facilities (the "Hotel and Convention Hall") as a means of promoting tourism and other business activity within the VILLAGE.

E. The VILLAGE has determined that the optimal financial structure for the financing of a Hotel and Convention Hall development will include, among other things, the issuance of tax exempt revenue bonds through the LPFC, coupled with the rebate by the VILLAGE of all hotel/motel taxes, all retailers' occupation taxes, all service occupation taxes and all places of eating taxes generated by the Hotel and Convention Hall or the operation thereof, along with the provision of additional reserve funds, as security for a portion of said bonds.

F. The LPFC has indicated its desire to issue tax exempt revenue bonds (the "Bond Financing") and develop a Hotel and Convention Hall on the SUBJECT PROPERTY (collectively the "Project"), all as described in EXHIBIT B attached hereto and made part hereof (the "Project Description").

G. In connection with the Project, the VILLAGE and the LPFC, with the assistance of consultants and advisors, have prepared a proforma showing the sources and uses of funds and a projected cash flow summary through the year 2035 for the Project (the "Project Proforma") and a project budget estimating and itemizing costs and expenses relating to the Project (the "Project Budget"), preliminary copies of which Project Proforma and Project Budget are attached hereto as EXHIBIT C and EXHIBIT D, respectively, and made part hereof, with final copies of said Project Proforma and Project Budget to be substituted for EXHIBIT C and EXHIBIT D, respectively, upon the final pricing of the Bond Financing.

H. The Bond Financing requires the LPFC to issue senior lien tax exempt revenue bonds and subordinate lien tax exempt revenue bonds in a sufficient amount to provide funds to construct the Hotel and Convention Hall, establish various reserves and pay the costs of issuance and otherwise complete the Project, all as generally described in the Project Description.

I. In regard to the SUBJECT PROPERTY, the VILLAGE has determined as follows:

1. The SUBJECT PROPERTY is vacant and has remained vacant for at least one (1) year;

2. The Project is expected to create job opportunities within the VILLAGE;

3. The Project will serve to further the development of adjacent areas;

4. Without this Agreement, the Project would not be possible;

5. The operator of the Hotel and Convention Hall, as selected by the LPFC to operate the Hotel and Convention Hall on behalf of the LPFC, meets/will meet the criteria set forth in 65 ILCS 5/8-11-20(6)(A) and/or (B);

6. The Project will strengthen the commercial sector of the VILLAGE;

7. The Project will strengthen the tax base of the VILLAGE; and

8. The rebate of hotel/motel taxes, as provided for by 65 ILCS 5/8-3-14 and Sections 98.60 through 98.63 of the Lombard Village Code, will promote overnight stays within the VILLAGE at the hotel portion of the Project, and will promote conventions within the VILLAGE at the convention hall portion of the Project.

J. Article VII, Section 10 of the Illinois Constitution of 1970 authorizes municipalities to contract and otherwise associate with individuals, associations and corporations in any manner not prohibited by law or ordinance.

K. The VILLAGE is authorized to proceed with the Project pursuant to the Illinois Compiled Statutes, 65 ILCS 5/11-65-1, et. seq., in that the VILLAGE will become the owner of the Hotel and Convention Hall upon the repayment of all the bonds issued by the LPFC.

L. As the VILLAGE will become the owner of the Hotel and Convention Hall upon the repayment of all the bonds issued by the LPFC, the VILLAGE will benefit from the tax rebates referenced in subsection I.E. above.

M. It is anticipated that the Project will generate increased hotel/motel tax revenues, places of eating tax revenues, retail occupation tax revenues and service occupation tax revenues for the VILLAGE.

N. It is anticipated that the Project will generate increased employment opportunities for residents of the VILLAGE.

O. Construction of the Project would not be economically feasible for the LPFC without the VILLAGE'S economic assistance.

P. The VILLAGE is desirous of having the SUBJECT PROPERTY rehabilitated, developed and redeveloped in order to serve the needs of the VILLAGE, increase employment opportunities, stimulate commercial growth and stabilize the tax base of the VILLAGE and in furtherance thereof, the VILLAGE is willing to undertake certain incentives, under the terms and conditions hereinafter set forth, to assist the LPFC.

Q. The President and Board of Trustees of the VILLAGE have determined that it is in the best interests of the VILLAGE to enter into this Agreement and pursue the development of the Project.

II. <u>CONDITIONS PRECEDENT TO THE UNDERTAKINGS ON THE PART OF THE VILLAGE AND THE DEVELOPER</u>

This Agreement is contingent upon the occurrence of the following within sixty, (60) days of the effective date of this Agreement (said term being defined below in Section VII.M.), subject to any extensions of such time period as may be agreed to between the parties:

A. The LPFC proceeding with the Bond Financing;

B. The LPFC becoming the fee simple owner of the SUBJECT PROPERTY;

C. The LPFC entering into the following agreements relative to the Project:

1. A master development agreement with Harp Lombard, LLC, d.b.a Harp Mid-America, L.L.C., an Illinois limited liability company (hereinafter referred to as "HARP");

2. An asset management agreement with HARP;

3. Pre-opening, technical services and management/operator agreements with a hotel company;

4. One (1) or more restaurant management agreement(s).

D. All obligations of HARP, as provided for in the agreement between HARP and the VILLAGE dated December 1, 2003 (the "Harp/Lombard Agreement") being satisfied by HARP; said Harp/Lombard Agreement being incorporated herein by reference.

E. The LPFC entering into a construction monitor agreement and hotel consultant agreement, relative to the Project, with a construction monitor and hotel consultant, respectively.

F. In the event that the hotel consultant referenced in subsection E above cannot also provide restaurant and insurance consulting services relative to the Project, the LPFC entering into a restaurant consultant agreement and/or insurance consultant agreement, relative to the Project, with a restaurant consultant and/or insurance consultant.

G. The LPFC obtaining a surety bond, in the amount of $1,100,000.00, to serve as a back-up to the VILLAGE'S obligation under Section V.E. below, once the VILLAGE has expended the first $900,000.00 of said obligation, with said surety bond to be substantially in the form as attached hereto as EXHIBIT E and made part hereof, and subject to such further terms and conditions as deemed necessary by the LPFC (the "Surety Bond").

III. UNDERTAKINGS ON THE PART OF THE VILLAGE

Upon complete satisfaction of all conditions itemized in Section II above, the VILLAGE shall undertake the following:

A. The VILLAGE will expeditiously issue such approvals, consents, permits, licenses and authorizations as the LPFC may require to cause the construction of the Project, or any portion thereof, provided the Project complies with the applicable VILLAGE codes and ordinances.

B. The VILLAGE shall approve or reject, in writing, any construction plans submitted within ninety (90) days after submittal by the LPFC to the VILLAGE. Immediately upon approval of any construction plans, the VILLAGE shall issue a building permit for the work covered by said construction plans. If the VILLAGE rejects the construction plans, said rejection shall specify any and all deficiencies in the construction plans based on applicable VILLAGE codes and ordinances. Following receipt of the rejection, the LPFC shall submit new or corrected construction plans within thirty (30) days after the date the LPFC receives written notice of the VILLAGE'S rejection of the construction plans referred to in the latest such notice. The provisions of this subsection relating to such approval, rejection and resubmittal of the construction plans shall continue to apply to resubmittal of corrected construction plans until the construction plans have been approved by the VILLAGE and a building permit for the work covered by said construction plans is issued. Said approval shall not be unreasonably withheld or delayed by the VILLAGE. The LPFC agrees that all construction work by the LPFC or its agents or independent contractors shall be in conformity with the construction plans as finally approved by the VILLAGE.

C. Promptly after completion of the Project, in accordance with the provisions of this Agreement and all applicable VILLAGE codes and ordinances, the VILLAGE will furnish the LPFC with a certificate of occupancy so certifying, which certificate of occupancy shall not be unreasonably withheld. Issuance by the VILLAGE of a certificate of occupancy for the Project shall be a conclusive determination of the satisfaction of the conditions precedent to the LPFC receiving the TAX REVENUES (as said term is defined below) hereunder. If the VILLAGE shall refuse or fail to provide a certificate of occupancy, the VILLAGE shall, within ten (10) days after written request by the LPFC, provide to the LPFC a written statement setting forth in detail how the LPFC has failed to complete the Project in reasonable accordance with the provisions of this Agreement or is otherwise in default, and what reasonable measures or acts the LPFC must take or perform, in the opinion of the VILLAGE, to obtain such certificate of occupancy.

D. Notwithstanding the foregoing, the VILLAGE agrees to issue a conditional certificate of occupancy, subject to appropriate terms and conditions as deemed reasonably necessary by the VILLAGE, so as to allow for the installation of computer equipment related to the Project and the training of employees who will work for the entity operating the Hotel and Convention Hall on behalf of the LPFC, prior to the issuance of an unconditional certificate of occupancy.

IV. UNDERTAKINGS ON THE PART OF THE LPFC

Upon complete satisfaction of all conditions itemized in Section II above, the LPFC shall undertake the following:

A. The LPFC shall cause construction of the Project to begin within sixty (60) days after the LPFC has closed on the purchase of the SUBJECT PROPERTY, and to be completed in full compliance with the approved plans therefor within one thousand ninety-five (1095) days after the LPFC has closed on the purchase of the SUBJECT PROPERTY, subject to delays caused by force majeure.

B. The LPFC shall submit (or cause the submittal of) construction plans, for VILLAGE approval, in sufficient completeness and detail to show that construction of the Project will be in accordance with the provisions of this Agreement and in compliance with all applicable VILLAGE codes, ordinances and regulations. The construction plans shall be prepared by a professional engineer(s) and a professional architect(s) licensed to practice in the State of Illinois. Construction plans and all construction practices and procedures with respect to the Project shall be in conformity with all applicable state and local laws, ordinances and regulations.

C. The LPFC shall construct the Project in compliance with VILLAGE Ordinance Nos. 5396 and 5397, approved on November 20, 2003.

D. The LPFC shall, upon completion of the Project, operate the Project, in conformance with all applicable laws, rules, regulations and agreements, until such time as the bonds issued pursuant to the Bond Financing are redeemed or defeased in their entirety.

E. In accordance with the agreements applicable to the Project and 65 ILCS 5/11-65-1 et seq., upon the redemption or defeasance of the bonds issued pursuant to the Bond Financing, in their entirety, the LPFC shall convey title to the Project and the SUBJECT PROPERTY to the VILLAGE, free and clear of any and all liens and encumbrances, for no additional consideration.

V. REFUND OF TAXES/ADDITIONAL RESERVES

A. The VILLAGE hereby pledges and shall semi-annually refund to the LPFC, or pay as directed by the LPFC, within ninety (90) days after the end of each SEMI-ANNUAL PERIOD (as said term is defined in subsection B below), an amount equal to the amount the VILLAGE has received from the collection of the TAX REVENUE (as said term is defined in subsection C below) generated by the Hotel and Convention Hall during said SEMI-ANNUAL PERIOD, solely for the purpose of securing the Series "B" Bonds as referenced in the Project Proforma.

B. The aforementioned refund of TAX REVENUE to the LPFC shall take place beginning in 2006 and ending at such time as the Series "B" Bonds are defeased or redeemed in their entirety, even if said defeasance or redemption occurs prior to the date shown in the Project Proforma. For purposes of this Agreement, the semi-annual refund periods shall be from January 1st through June 30th and from July 1st through December 31st (each semi-annual refund period being hereinafter referred to as a "SEMI-ANNUAL PERIOD"). The LPFC and the VILLAGE agree to cooperate with each other in ascertaining the amount of TAX REVENUE generated by the Hotel and Convention Hall and received by the VILLAGE during each SEMI-ANNUAL PERIOD, with the LPFC to release such information in its possession and control, and use reasonable efforts to cause HARP, the hotel manager and restaurant manager(s) to release information and execute such documents as necessary to allow the VILLAGE to comply with its tax rebate obligations as set forth in Section V.A. above.

C. For purposes of this Agreement, "TAX REVENUE" shall be construed to refer to that net portion of taxes imposed by the State of Illinois for distribution to the VILLAGE pursuant to the Retailers' Occupation Tax Act, 35 ILCS 120/1, et seq. and the Service Occupation Tax Act, 35 ILCS 115/1, et seq. (and any amendments thereto), which are collected by the State of Illinois and distributed to the VILLAGE, along with hotel/motel taxes collected by the VILLAGE pursuant to Sections 98.60 through 98.63 of the Lombard Village Code (as authorized by 65 ILCS 5/8-3-14) and places of eating taxes collected by the VILLAGE pursuant to Section 98.111 of the Lombard Village Code (as authorized by 65 ILCS 5/11-42-5), plus all future revenues derived during the period of this Agreement from taxes enacted by law or ordinance by any governmental authority which are intended to replace any one or more of the aforementioned taxes generated by the Project.

D. In addition to the rebate of TAX REVENUE as set forth in Section V.A. above, the VILLAGE hereby commits, subject to the requirement of a prior appropriation therefor, to provide funds to pay the subordinate lien bond debt service payment for the "Series B Bonds" in the event that (i) the subordinate lien bond debt service payment for the "Series B Bonds" as set forth in the Project Proforma cannot be paid from Project revenues in any given calendar year, (ii) all reserve funds available for the payment of such bond debt service (the Operating Reserve Fund, the Cash Trap Fund, the Redemption Fund and Series B Debt Service Reserve Fund as shown on the Project Proforma) have been exhausted, and (iii) funds available pursuant to the Harp/Lombard Agreement for the payment of such bond debt service have been exhausted.

E. In addition to the rebate of TAX REVENUE as set forth in Section V.A. above and the additional reserve provided for in Section V.D. above, the VILLAGE hereby commits, subject to the requirement of a prior appropriation therefor, to provide for the Supplement Reserve Fund (Series A Bonds only), as shown in the Project Proforma, in an annual amount not to exceed Two Million and No/100 Dollars ($2,000,000.00), from the VILLAGE'S Hotel/Motel Tax Fund or from such other fund(s) as determined by the VILLAGE, if (i) the bond debt service payment for the "Series A Bonds" as set forth in the Project Proforma cannot be paid from Project revenues in a given calendar year and (ii) all reserve funds (the Operating Reserve Fund, the Cash Trap Fund, the First Tier Special Reserve Fund and the Redemption Fund as shown on the Project Proforma) available for the payment of such bond debt service, other than the Series A Debt Service Reserve Fund, have been exhausted. The foregoing commitment by the VILLAGE shall begin upon the Opening Date for the Project and shall cease upon the end of the third successive Operating Year in which the Series A Debt Service Coverage Ratio for the Operating Year equals or exceeds a ratio of 1.50:1.00. For purposes of this Agreement, said "Series A Debt Service Coverage Ratio," as used in the preceding sentence, shall be calculated using the following formula:

$$\frac{X-Y}{Z} = \text{Series A Debt Service Coverage Ratio}$$

X = Gross Operating Profit of the Hotel plus Gross Operating Profit of the Restaurant for the Operating Year.

Y = Deposits to the Taxes and Insurance Fund and the Administrative Expense Fund for the Operating Year.

Z = The required Debt Service for the Series 2005A Bonds for the Operating Year.

VI. ADDITIONAL COVENANTS, UNDERTAKINGS AND AGREEMENTS OF THE PARTIES

A. This Agreement, together with the Exhibits attached thereto (all of which are attached hereto or incorporated herein by this reference), contains the entire agreement and understanding between the parties and supersedes any prior understanding or written or oral agreements between them with respect to the subject matter of this Agreement. To the extent that there is an inconsistency between the text of the Agreement and an Exhibit hereto, the Exhibit shall be controlling. There are no representations, agreements, arrangements or understandings, oral or written, between and among the parties hereto relating to the subject matter of this Agreement which are not fully expressed herein or set forth in the Exhibits hereto. No oral modification, amendment, or change shall be allowed to this Agreement. Any modification, amendment, or change hereto shall be in writing and approved by the VILLAGE and LPFC. To the extent that a capitalized term used herein is not defined herein, it shall be construed to have the meaning as assigned to said term pursuant to the "Master Glossary of Terms for Lombard Public Facilities Corporation Conference Center and Hotel Revenue Bond Transaction" relative to the Project and the Bond Financing.

B. Time is of the essence in the performance of this Agreement.

C. This Agreement may be executed simultaneously in two (2) or more counterparts, each of which shall be deemed an original, and such counterparts together shall constitute one and the same Agreement.

D. This Agreement shall be in full force and effect, and legally binding, after it is signed by the duly authorized officers of each party. Each of the signatories to this Agreement are the duly authorized representatives of their respective corporate entity and each such person has signed this Agreement pursuant to the authority duly granted to him or her by the corporate authorities of said corporate entity, who have acted by motion or approved a resolution that authorized and directed the representatives to sign this Agreement.

E. This Agreement shall be binding upon and shall inure to the benefit of the parties agreeing hereto and to their successor corporations, officers, officials, trustees, successors in office or interest, heirs, representatives, and assigns. Notwithstanding the foregoing, except for transfers or assignments to a receiver, master, sheriff, trustee in bankruptcy or other assignee by operation of law, the LPFC shall not assign this Agreement or any interest therein, or sublet the same, without the prior written consent of the VILLAGE; provided, however, at the time of such assignment, there is no default under this Agreement by the LPFC.

F. If the time for performance falls upon a Saturday, Sunday or legal holiday, such time for performance shall be extended to the next business day.

G. All notices and requests, if any, required pursuant to this Agreement shall be sent by certified mail, return receipt requested, by personal service, or by a national overnight/next day delivery courier (e.g., Federal Express) addressed as follows:

If to the LPFC:	with copy to:
Lombard Public Facilities Corporation c/o Leonard Flood, Registered Agent 255 East Wilson Avenue Lombard, Illinois 60148	Gerard E. Dempsey Donald E. Renner Klein, Thorpe & Jenkins, Ltd. 20 North Wacker Drive, Suite 1660 Chicago, IL 60606
If to the VILLAGE:	with copy to:
William T. Lichter Village Manager Village of Lombard 255 East Wilson Avenue Lombard, Illinois 60148	Thomas P. Bayer, Klein, Thorpe and Jenkins, Ltd. 20 North Wacker Drive, Suite 1660 Chicago, Illinois 60606

H. This Agreement relates to the development of real estate located in the State of Illinois. Accordingly, this Agreement, and all questions of interpretation, construction and enforcement hereof, and all controversies hereunder, shall be governed by the applicable statutory and common law of the State of Illinois. The parties agree that for the purpose of any litigation relative to this Agreement and its enforcement, venue shall be in either the Circuit Court of DuPage County, Illinois, or the U.S. District Court for the Northern District of Illinois, Eastern Division, and the parties consent to the in personam jurisdiction of either of said Courts for any such action or proceeding.

I. The captions at the beginning of the several Sections herein are for convenience only, and shall not affect the construction of this Agreement.

J. If any provision of this Agreement or an Exhibit hereto, or any paragraph, sentence, clause, phrase or word or the application thereof is held invalid, the remainder of this Agreement or such Exhibit shall be construed as if such invalid part was never included and this Agreement or said Exhibit and shall be and remain valid and enforceable to the fullest extent permitted by law, provided that the Agreement and/or any Exhibit hereto, in its entirety as so reconstituted, does not represent a material change to the rights or obligations of the parties. In the event of any conflict or inconsistency between the terms set forth in the body of this Agreement and the terms set forth in any Exhibit hereto, the terms set forth in the Exhibit shall govern and control.

K. The VILLAGE and LPFC agree to fully cooperate with each other and to do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in furthering the objectives of this Agreement and the intent of the parties as reflected by the terms of this Agreement.

L. True and correct copies of the below-listed Exhibits are attached hereto and made a part of this Agreement:

1. EXHIBIT A - Legal Description for the SUBJECT PROPERTY.

2. EXHIBIT B - Project Description.

3. EXHIBIT C - Project Proforma.

4. EXHIBIT D - Project Budget

5. EXHIBIT E - Surety Bond

M. This Agreement shall be deemed dated and become effective on the date that the last signatory signs this Agreement.

N. No recourse under or upon any obligation, covenant, or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the VILLAGE in any amount in excess of any specific sum, agreed by the VILLAGE to be paid to the LPFC hereunder, subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to or shall be incurred by the VILLAGE'S officers, officials, trustees, agents and/or employees and any such rights or claims of the LPFC against the VILLAGE'S officers, officials, trustees, agents and/or employees are hereby expressly waived and released as a condition of and as consideration for the execution of the Agreement by the VILLAGE.

O. The LPFC hereby covenants and agrees to promptly pay or cause to be paid as the same become due, any and all taxes and governmental charges of any kind that may at any time be lawfully assessed with respect to the Project.

P. Neither the VILLAGE nor the LPFC nor any successor in interest or assign shall be considered in breach or default of their respective obligations under this Agreement, and time for performance of obligations hereunder shall be extended, in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or other casualty; condemnation; strike; lockout; civil disorder; war; restrictive government regulations; issuance of any permits and/or legal authorization (including engineering approvals) by any governmental entity necessary for the LPFC to proceed with construction; shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other causes beyond the parties' reasonable control, included by not limited to, any court order of judgment resulting from any litigation affecting the Project or this Agreement.

Q. This Agreement constitutes the entire understanding of the parties with respect to the subject matter hereof. Any previous agreements or understandings between the parties regarding the subject matter hereof, including, but not limited to, those agreements approved pursuant to VILLAGE Resolution No. 31-05, adopted July 29, 2004, and VILLAGE Resolution No. 65-05, adopted October 21, 2004 (both Resolutions having been subsequently repealed), are merged into and superseded by this Agreement.

VII. REPRESENTATIONS AND WARRANTIES OF THE LPFC

A. The LPFC hereby represents and warrants that it is an Illinois not-for-profit corporation in good standing with proper authority to execute this Agreement pursuant to its Articles of Incorporation, By-Laws and the laws of the State of its organization.

B. The LPFC hereby represents and warrants that the Project shall be constructed and fully completed in a good and workmanlike manner and in accordance with all applicable laws, rules and regulations of the VILLAGE, the State of Illinois and the United States of America, and all agencies thereof.

C. The LPFC hereby represents and warrants that it shall comply with all terms, provisions and conditions and shall not knowingly permit a default under any document or agreement relating to the Project to which it is a party, including, but not limited to this Agreement and all agreements and documentation in connection with the Bond Financing.

D. The LPFC hereby represents and warrants that it will use commercially reasonable efforts to alert VILLAGE residents to the employment opportunities available as a result of the Project.

VIII. REPRESENTATIONS AND WARRANTIES OF THE VILLAGE

A. The VILLAGE hereby represents and warrants to the LPFC that subject to its compliance with the Illinois Statutes and its own Ordinances, it has the power and authority to execute, deliver and perform the terms and obligations of this Agreement and the Exhibits hereto.

B Subject to the terms and conditions of Section V of this Agreement, the VILLAGE has full authority to refund to the LPFC the TAX REVENUE generated by the Hotel and Convention Hall as distributed to the VILLAGE by the Illinois Department of Revenue or as collected directly by the VILLAGE.

C. The VILLAGE agrees that during the term of this Agreement, the VILLAGE shall not further encumber or pledge any portion of the TAX REVENUE or take any action inconsistent with the terms of this Agreement.

IX. DEFAULTS

Subject to Force Majuere, failure on the part of either party to comply with any term, representation, warranty, obligation, provision or condition of this Agreement, within thirty (30) days from the date of written notice thereof from the other party, shall constitute an event of default. Notwithstanding the foregoing, in the event that the non-compliance cannot be corrected within said thirty (30) day period because of matters not within the reasonable control of the defaulting party, the defaulting party shall be given a reasonable period of time to correct said non-compliance provided, however, that the defaulting party diligently pursues the correction of said non-compliance within said reasonable period of time and that said reasonable period of time does not exceed an additional ninety (90) days beyond said initial thirty (30) day period; with non-compliance after said one hundred twentieth (120^{th}) day being deemed to constitute an even of default. Upon an occurrence of an event of default, and after notice and expiration of all cure periods, the non-defaulting party may institute such proceedings as may be necessary or desirable, in its opinion, to cure and remedy such default, including, but not limited to, proceedings to compel specific performance by the defaulting party, but specifically excluding the right to terminate this Agreement. Further, upon an occurrence of any event of default the defaulting party shall be responsible to the non-defaulting party for reimbursement of all costs incurred by the non-defaulting party seeking to enforce the performance and observance of any obligation, understanding, covenant or agreement as aforesaid, including, but not limited to, costs and fees incurred by use of its employees, officers, consultants and attorneys, provided the non-defaulting party is the prevailing party in any such enforcement proceeding.

X. AGREEMENT TERM

The term of this Agreement shall commence as of the date of its execution by the last signatory hereto and shall expire upon the cessation of LPFC'S right to receive a refund of TAX REVENUE under Section V above.

IN WITNESS WHEREOF, the President and Board of Trustees of the VILLAGE have approved this Agreement by passage of a Resolution and the Village President and Deputy Village Clerk of the VILLAGE, pursuant to the authority granted by the passage of said Resolution, have signed this Agreement, and the Board of Directors of the LPFC have approved this Agreement by passage of a Resolution and the President and Secretary of the LPFC, pursuant to authority granted by the passage of said Resolution have signed this Agreement.

VILLAGE OF LOMBARD
An Illinois Municipal Corporation
corporation

BY:______________________
William J. Mueller
Village President

Date: ______________

ATTEST:

BY:______________________
Barbara A. Johnson
Deputy Village Clerk

Date: ______________

LOMBARD PUBLIC FACILITIES CORPORATION, an Illinois not-for-profit

BY:______________________
Jeff Mills
President

Date: ______________

ATTEST:

BY:______________________
Toni Sherman
Secretary

Date: ______________

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STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named William J. Mueller and Barbara A. Johnson, personally known to me to be the Village President and Deputy Village Clerk of the Village of Lombard, and also known to me to be the same persons whose names are subscribed to the foregoing instrument as such Village President and Deputy Village Clerk, respectively, appeared before me this day in person and severally acknowledged that as such Village President and Deputy Village Clerk they signed and delivered the said instrument, pursuant to authority given by said Village, as their free and voluntary act, and as the free and voluntary act and deed of said Village, for the uses and purposes therein set forth, and that said Deputy Village Clerk as custodian of the corporate seal of said Village caused said seal to be affixed to said instrument as said Deputy Village Clerk's own free and voluntary act and as the free and voluntary act of said Village, for the uses an purposes therein set forth.

GIVEN under my hand and Notary Seal, this ____ day of ______________, 2004.

____
Notary Public

My Commission Expires: ________________________

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STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named Jeff Mills and Toni Sherman, personally known to me to be the President and Secretary of the Lombard Public Facilities Corporation and also known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, appeared before me this day in person and severally acknowledged that as such President and Secretary they signed and delivered the said instrument, pursuant to authority given by said Corporation, as their free and voluntary act, and as the free and voluntary act and deed of said Corporation, for the uses and purposes therein set forth, and that said Secretary as custodian of the corporate seal of said Corporation caused said seal to be affixed to said instrument as said Secretary's own free and voluntary act and as the free and voluntary act of said Corporation, for the uses an purposes therein set forth.

GIVEN under my hand and Notary Seal, this ____ day of ______________, 2004.

____
Notary Public

My Commission Expires: __________________________

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EXHIBIT A

(Legal Description for Subject Property

LOT 2 IN YORKTOWN PERIPHERAL/TARGET SUBDIVISION, BEING A PART OF THE NORTHEAST ¼ OF SECTION 29, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 17, 1995 AS DOCUMENT R95-162762, IN DUPAGE COUNTY, ILLINOIS.

EXHIBIT B

(Project Description)

(A) Project. It is currently contemplated that the Project will consist of a convention hall ("Convention Center" or the "Convention Hall") containing approximately 50,000 square feet of net meeting space and a Westin Hotel containing approximately 500 rooms.

1. The Hotel will consist of the above conference space and the following:
   - Approximately 500 guest rooms, which will include an appropriate mix of King Rooms, Double Queens, and several types of suites
   - Spacious lobby
   - Up to two restaurants, each with full cocktail capabilities with a total are of no more than 16,000 sf, exclusive of the Hotel café
   - Swimming pool and workout facilities
   - Gift shop
   - Kitchen and Back-of-House areas to support all of the above guest areas
   - Employee spaces
   - Security offices
   - Executive offices for Hotel Management
   - Storage facilities as appropriate
   - Laundry facility for all Hotel requirements

2. The Convention Center is currently designed to encompass the following:
   - +/- 20,000 SF Grand Ballroom; divisible
   - +/- 10,000 SF Ballroom; divisible
   - +/- 10,000 SF Breakout Meeting Rooms; divisible
   - +/- 10,000 SF of small meeting rooms and boardroom space
   - Pre-function space and support facilities for all of the above

3. Based on the floor areas described above, the Project will also include surface parking for approximately 300 cars and in a parking structure that will contain approximately 610 parking stalls. This is determined pursuant to parking ratio requirements of the Declaration that is outlined in Exhibit 7.2(b) to the Purchase and Sale Agreement to which this is itself an Exhibit, and in accordance with the following:

   - 500 guest rooms at 1 automobile parking space for each guest room which requires 500 spaces
   - 16,000 Square feet of restaurant space at 10 automobile parking spaces for each 1,000 square feet of restaurant area which requires 160 spaces
   - 50,000 square feet of Convention Center at 5 automobile parking spaces for each 1,000 square feet of Convention Center area which requires 250 spaces
   - a retail space of less than 1,000 square feet which requires no spaces

(B) Structure: The Project consisting of a Convention Hall and Hotel facility as described above will be constructed and equipped with proceeds of bonds to be issued by a corporation to be formed under the Illinois not for profit corporation statute (the "Public Facilities Corporation" or the "PFC") The Public Facilities Corporation will be organized in compliance with federal tax law to enable it to issue tax exempt bonds on behalf of the Village of Lombard. All of the PFC directors will be appointed by and serve at the pleasure of the Village. Upon retirement of the bonds, unencumbered fee title to all facilities constructed with bond proceeds will pass to the Village.

The bonds will be issued in three series, all secured by a pledge of the new revenues of the Hotel and Convention Hall, the Village's hotel/motel tax receipts and sales taxes generated by the Hotel and Convention Hall. Series A will be the senior bonds, Series B will be junior to series A, and Series C will be junior to Series B. Neither in the taxing power nor the full faith and credit of the Village will be pledged as security for any of the bonds.

Bond proceeds will be used to acquire the Property and construct and equip the Hotel and Convention Hall o the property and the parking structure. An escrow will be created at the time of closing of the bonds to pay for off-site improvements that will benefit the Hotel and Convention Hall and adjacent areas. Bond proceeds will also provide for the payment of interest on the bonds through the completion of construction of the facilities and costs of issuance of the bonds.

The bonds will be issued pursuant to a trust indenture with a bank. The trust indenture will provide all of the details of the bonds and how the proceeds will be invested and applied. The trust indenture will be approved by resolution of the board of directors of the Public Facilities Corporation following the execution of a bond purchase contract providing for the sale of the bonds to an investment banking firm. The investment banking firm will then resell the bonds to the public. At the bond closing, the investment banking firm will deliver cash in exchange for the bonds. The Public Facilities Corporation. Harp Lombard, LLC will have a Development Agreement and an Asset Management Agreement with the PFC.

The Public Facilities Corporation will enter into a management contract with an entity to operate the Hotel and Convention Hall on a day to day basis. The management company will be responsible for the successful operation of the facilities so as to generate the revenues and sales taxes to discharge the Public Facilities Corporation's debt service obligations on the bonds. As indicated above, when the bonds are fully discharged, the Public Facilities Corporation will deed the facilities to the Village and cease to exist.

EXHIBIT C

(Project Proforma)

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Room Summary										
Occupancy	-	-	57.00%	64.00%	67.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Average Daily Rate	-	-	129.76	136.65	145.13	149.86	154.36	158.99	163.76	168.67
TOTAL NET REVENUES (1)										
Net Operating Income	-	-	8,497	14,710	16,407	18,310	18,836	19,376	20,035	20,581
Administrative Expenses	-	-	(500)	(515)	(530)	(546)	(563)	(580)	(597)	(615)
Total Investment Earnings	-	140	-	-	-	648	724	814	853	908
TOTAL NET REVENUES	-	140	7,997	14,195	15,877	18,412	18,997	19,610	20,291	20,874
CASH FLOW EXPENDITURES (REVENUES)										
Series "A" Debt Service	5,827	7,769	7,769	7,769	7,769	7,769	7,769	9,219	9,272	9,321
Series "A" Capitalized Interest and DSRF Earnings	(5,827)	(7,769)	(7,769)	(2,460)	(475)	(475)	(475)	(475)	(475)	(475)
SERIES "A" NET DEBT SERVICE	-	-	-	5,309	7,294	7,294	7,294	8,744	8,798	8,847
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	-	-	334	829	1,218	1,299	1,337	1,372	1,417	1,454
Restaurant FF&E Reserve Deposit (1%)	-	-	162	240	250	269	277	285	298	306
Restaurant Subordinate Mgmt. Fee	-	-	379	893	932	1,218	1,261	1,319	1,394	1,446
HOT, F&B, Sales Tax Contribution	-	-	(465)	(1,210)	(1,553)	(1,677)	(1,763)	(1,814)	(1,872)	(1,930)
Series "B" Debt Service	1,711	2,282	2,282	2,282	2,282	2,282	2,282	2,532	2,602	2,679
Series "B" Capitalized Interest and DSRF Earnings	(1,711)	(2,282)	(2,282)	(732)	(158)	(158)	(158)	(158)	(158)	(158)
SERIES "B" NET DEBT SERVICE	-	-	-	1,550	2,124	2,124	2,124	2,374	2,445	2,521
CASH FLOW REMAINING	-	140	7,588	6,584	5,611	7,884	8,466	7,330	7,812	8,231
Subordinate Asset Manager Fee	-	-	164	258	277	297	306	314	326	335
Subordinate Management Fee	-	-	167	276	305	325	334	343	354	363
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	-	-	-	-	-	-	-	-	-	-
Series "C" Debt Service	663	956	880	880	880	3,948	3,948	4,226	4,226	4,226
Series "C" Capitalized Int. / Int. Earnings	(663)	(956)	(145)	(370)	(525)	-	-	-	-	-
SERIES "C" NET DEBT SERVICE	-	-	735	510	355	3,948	3,948	4,226	4,226	4,226
CASH FLOW REMAINING	-	140	6,522	5,540	4,674	3,315	3,878	2,446	2,905	3,307
Supersubordinate Asset Manager Fee	-	-	82	129	139	148	153	157	163	167
Supersubordinate Management Fee	-	-	-	-	-	-	167	171	177	182
EXCESS REVENUE	-	140	6,439	5,411	4,535	3,167	3,558	2,118	2,565	2,958
APPLICATION OF EXCESS REVENUE										
Deposit to Operating Reserve	-	140	3,360	-	-	-	-	-	-	-
Deposit to Cash Trap		-	3,079	1,921	-	-	-			
Deposit to Sinking Fund	-	-	-	-	-	-	-	-	-	-
Deposit to Special Reserve Fund (Series A Bonds)			-	2,491	3,535	2,167	2,558	1,118	1,565	1,958
Distribution to the Government	-	-	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Distributions from Excess Revenue	-	140	6,439	5,411	4,535	3,167	3,558	2,118	2,565	2,958
COVERAGE RATIOS										
Series A (Includes Supplemental Reserve)	-	-	-	3.05	2.45	2.80	2.60	2.24	2.31	2.36
Series A (Net Revenues / Gross Debt Service)			1.03	1.83	2.04	2.37	2.45	2.13	2.19	2.24
Series B (Coverage from Tax Revenues Only)	-	-	-	0.78	0.73	0.79	0.83	0.76	0.77	0.77
Series B	-	-	-	1.75	1.47	1.65	1.69	1.52	1.54	1.56
Series C Current Pay Portion			7.43	1.56	1.37	1.20	1.23	1.13	1.15	1.17
RESERVE FUND BALANCES										
Operating Reserve Fund Balance	4,000	4,140	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Cash Trap Fund Balance	-		3,079	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sinking Fund Balance	-	-	-	-	-	-	-	-	-	-
Special Reserve Fund (Series A Bonds)	-	-	-	2,491	6,026	8,192	10,751	11,869	13,434	15,392
Supplemental Reserve Fund (Series A Only)		-	2,000	2,000	2,000	2,000	-	-	-	-
Total Reserve Fund Balances	4,000	4,140	12,579	16,991	20,526	22,692	23,251	24,369	25,934	27,892
BOND FUNDED DEBT SERVICE RESERVES										
Series A Debt Service Reserve Fund (2)	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785
Series B Debt Service Reserve Fund (2)	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255
Total Bond Funded DSR	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
TOTAL RESERVE FUND BALANCE	17,039	17,179	25,619	30,030	33,565	35,732	36,290	37,408	38,973	40,931
PRINCIPAL BALANCES										
Series A	117,065	117,065	117,065	117,065	117,065	117,065	117,065	115,615	114,025	112,290
Series B	44,745	44,745	44,745	44,745	44,745	44,745	44,745	44,495	44,165	43,745
Series C	23,442	25,355	27,582	30,085	32,897	32,897	32,897	32,619	32,307	31,958
Total Principal Balance	185,252	187,165	189,392	191,895	194,707	194,707	194,707	192,729	190,497	187,993

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Room Summary										
Occupancy	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Average Daily Rate	173.73	178.94	184.31	189.84	195.53	201.40	207.44	213.67	220.08	226.68
TOTAL NET REVENUES (1)										
Net Operating Income	21,166	21,836	22,491	23,166	23,861	24,577	25,314	26,073	26,856	27,661
Administrative Expenses	(633)	(652)	(672)	(692)	(713)	(734)	(756)	(779)	(802)	(826)
Total Investment Earnings	976	1,060	1,148	1,254	1,378	1,468	1,566	1,675	1,794	1,924
TOTAL NET REVENUES	21,509	22,243	22,967	23,727	24,526	25,310	26,124	26,970	27,848	28,759
CASH FLOW EXPENDITURES (REVENUES)										
Series "A" Debt Service	9,376	9,431	9,482	9,542	9,602	9,662	9,726	9,789	9,852	9,921
Series "A" Capitalized Interest and DSRF Earnings	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)
SERIES "A" NET DEBT SERVICE	8,901	8,956	9,008	9,067	9,127	9,188	9,252	9,314	9,378	9,447
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	1,501	1,550	1,596	1,644	1,694	1,744	1,797	1,851	1,906	1,963
Restaurant FF&E Reserve Deposit (1%)	310	320	329	339	350	360	371	382	393	405
Restaurant Subordinate Mgmt. Fee	1,480	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957
HOT, F&B, Sales Tax Contribution	(1,982)	(2,039)	(2,101)	(2,165)	(2,229)	(2,296)	(2,365)	(2,436)	(2,509)	(2,585)
Series "B" Debt Service	2,762	2,832	2,906	2,991	3,076	3,165	3,256	3,345	3,442	3,540
Series "B" Capitalized Interest and DSRF Earnings	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)
SERIES "B" NET DEBT SERVICE	2,605	2,674	2,749	2,833	2,918	3,007	3,098	3,187	3,284	3,382
CASH FLOW REMAINING	8,694	9,238	9,795	10,369	10,978	11,568	12,181	12,827	13,496	14,189
Subordinate Asset Manager Fee	343	354	364	375	386	398	410	422	435	448
Subordinate Management Fee	375	387	399	411	423	436	449	463	477	491
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	-	387	399	411	423	436	449	463	477	491
Series "C" Debt Service	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
Series "C" Capitalized Int. / Int. Earnings	-	-	-	-	-	-	-	-	-	-
SERIES "C" NET DEBT SERVICE	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
CASH FLOW REMAINING	3,749	3,884	4,406	4,945	5,519	6,072	6,646	7,254	7,882	8,534
Supersubordinate Asset Manager Fee	171	177	182	188	193	199	205	211	217	224
Supersubordinate Management Fee	188	194	200	206	212	218	225	231	238	245
EXCESS REVENUE	3,390	3,513	4,025	4,552	5,114	5,655	6,217	6,811	7,426	8,064
APPLICATION OF EXCESS REVENUE										
Deposit to Operating Reserve	-	-	-	-	-	-	-	-	-	-
Deposit to Cash Trap										
Deposit to Sinking Fund	-	-	-	1,872	2,557	2,828	3,108	3,406	3,713	4,032
Deposit to Special Reserve Fund (Series A Bonds)	2,390	2,513	3,025	1,680	-	-	-	-	-	-
Distribution to the Government	1,000	1,000	1,000	1,000	2,557	2,828	3,108	3,406	3,713	4,032
Total Distributions from Excess Revenue	3,390	3,513	4,025	4,552	5,114	5,655	6,217	6,811	7,426	8,064
COVERAGE RATIOS										
Series A (Includes Supplemental Reserve)	2.42	2.48	2.55	2.62	2.69	2.75	2.82	2.90	2.97	3.04
Series A (Net Revenues / Gross Debt Service)	2.29	2.36	2.42	2.49	2.55	2.62	2.69	2.76	2.83	2.90
Series B (Coverage from Tax Revenues Only)	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Series B	1.59	1.61	1.64	1.67	1.70	1.72	1.75	1.77	1.80	1.83
Series C Current Pay Portion	1.19	1.19	1.21	1.24	1.26	1.28	1.30	1.33	1.35	1.37
RESERVE FUND BALANCES										
Operating Reserve Fund Balance	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Cash Trap Fund Balance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sinking Fund Balance	-	-	-	1,872	4,429	7,257	10,365	13,770	17,484	21,516
Special Reserve Fund (Series A Bonds)	17,782	20,295	23,320	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Supplemental Reserve Fund (Series A Only)	-	-	-	-	-	-	-	-	-	-
Total Reserve Fund Balances	30,282	32,795	35,820	39,372	41,929	44,757	47,865	51,270	54,984	59,016
BOND FUNDED DEBT SERVICE RESERVES										
Series A Debt Service Reserve Fund (2)	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785
Series B Debt Service Reserve Fund (2)	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255
Total Bond Funded DSR	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
TOTAL RESERVE FUND BALANCE	43,321	45,834	48,859	52,411	54,968	57,796	60,904	64,310	68,023	72,055
PRINCIPAL BALANCES										
Series A	110,395	108,330	106,075	103,610	100,920	97,990	94,800	91,335	87,575	83,495
Series B	43,225	42,615	41,905	41,080	40,135	39,060	37,840	36,470	34,935	33,225
Series C	31,566	31,128	30,638	30,088	29,473	28,783	28,011	27,146	26,178	25,093
Total Principal Balance	185,186	182,073	178,618	174,778	170,528	165,833	160,651	154,951	148,688	141,813

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Room Summary										
Occupancy	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Average Daily Rate	233.48	240.48	247.70	255.13	262.78	270.67	278.79	287.15	295.76	304.64
TOTAL NET REVENUES (1)										
Net Operating Income	28,491	29,346	30,226	31,133	32,067	33,029	34,020	35,040	36,092	37,174
Administrative Expenses	(851)	(877)	(903)	(930)	(958)	(987)	(1,016)	(1,047)	(1,078)	(1,111)
Total Investment Earnings	2,066	2,218	2,383	2,561	2,753	2,961	3,186	3,428	3,687	3,965
TOTAL NET REVENUES	29,705	30,687	31,706	32,763	33,862	35,003	36,189	37,421	38,700	40,029
CASH FLOW EXPENDITURES (REVENUES)										
Series "A" Debt Service	9,994	10,059	10,135	10,210	10,282	10,364	10,444	10,524	10,608	10,697
Series "A" Capitalized Interest and DSRF Earnings	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)
SERIES "A" NET DEBT SERVICE	9,520	9,585	9,661	9,735	9,807	9,889	9,969	10,050	10,133	10,223
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	2,022	2,083	2,145	2,210	2,276	2,344	2,415	2,487	2,562	2,638
Restaurant FF&E Reserve Deposit (1%)	417	430	443	456	470	484	498	513	529	545
Restaurant Subordinate Mgmt. Fee	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630
HOT, F&B, Sales Tax Contribution	(2,662)	(2,742)	(2,824)	(2,909)	(2,996)	(3,086)	(3,179)	(3,274)	(3,372)	(3,473)
Series "B" Debt Service	3,644	3,750	3,854	3,867	3,868	3,868	3,865	3,865	3,867	3,865
Series "B" Capitalized Interest and DSRF Earnings	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)
SERIES "B" NET DEBT SERVICE	3,486	3,592	3,696	3,709	3,711	3,710	3,707	3,707	3,709	3,707
CASH FLOW REMAINING	14,906	15,664	16,447	17,359	18,326	19,325	20,372	21,459	22,586	23,758
Subordinate Asset Manager Fee	461	475	490	504	519	535	551	568	585	602
Subordinate Management Fee	506	521	536	552	569	586	604	622	640	660
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	506	521	536	552	569	586	604	622	640	660
Series "C" Debt Service	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
Series "C" Capitalized Int. / Int. Earnings	-	-	-	-	-	-	-	-	-	-
SERIES "C" NET DEBT SERVICE	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
CASH FLOW REMAINING	9,207	9,921	10,659	11,524	12,443	13,392	14,388	15,422	16,495	17,611
Supersubordinate Asset Manager Fee	231	238	245	252	260	267	276	284	292	301
Supersubordinate Management Fee	253	260	268	276	284	293	302	311	320	330
EXCESS REVENUE	8,724	9,423	10,146	10,996	11,898	12,832	13,810	14,827	15,882	16,980
APPLICATION OF EXCESS REVENUE										
Deposit to Operating Reserve	-	-	-	-	-	-	-	-	-	-
Deposit to Cash Trap										
Deposit to Sinking Fund	4,362	4,711	5,073	5,498	5,949	6,416	6,905	7,414	7,941	8,490
Deposit to Special Reserve Fund (Series A Bonds)	-	-	-	-	-	-	-	-	-	-
Distribution to the Government	4,362	4,711	5,073	5,498	5,949	6,416	6,905	7,414	7,941	8,490
Total Distributions from Excess Revenue	8,724	9,423	10,146	10,996	11,898	12,832	13,810	14,827	15,882	16,980
COVERAGE RATIOS										
Series A (Includes Supplemental Reserve)	3.12	3.20	3.28	3.37	3.45	3.54	3.63	3.72	3.82	3.92
Series A (Net Revenues / Gross Debt Service)	2.97	3.05	3.13	3.21	3.29	3.38	3.47	3.56	3.65	3.74
Series B (Coverage from Tax Revenues Only)	0.76	0.76	0.76	0.78	0.81	0.83	0.86	0.88	0.91	0.94
Series B	1.85	1.88	1.91	1.95	1.99	2.03	2.07	2.12	2.16	2.20
Series C Current Pay Portion	1.40	1.42	1.45	1.48	1.51	1.54	1.58	1.61	1.64	1.68
RESERVE FUND BALANCES										
Operating Reserve Fund Balance	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Cash Trap Fund Balance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sinking Fund Balance	25,877	30,589	35,662	41,160	47,109	53,525	60,430	67,843	75,785	84,275
Special Reserve Fund (Series A Bonds)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Supplemental Reserve Fund (Series A Only)	-	-	-	-	-	-	-	-	-	-
Total Reserve Fund Balances	63,377	68,089	73,162	78,660	84,609	91,025	97,930	105,343	113,285	121,775
BOND FUNDED DEBT SERVICE RESERVES										
Series A Debt Service Reserve Fund (2)	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785
Series B Debt Service Reserve Fund (2)	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255
Total Bond Funded DSR	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
TOTAL RESERVE FUND BALANCE	76,417	81,128	86,201	91,699	97,648	104,064	110,969	118,383	126,324	134,814
PRINCIPAL BALANCES										
Series A	79,070	74,285	69,105	63,505	57,460	50,930	43,885	36,290	28,105	19,285
Series B	31,325	29,220	26,900	24,445	21,860	19,140	16,280	13,270	10,100	6,765
Series C	23,878	22,518	20,994	19,287	17,375	15,234	12,836	10,150	7,142	3,773
Total Principal Balance	134,273	126,023	116,999	107,237	96,695	85,304	73,001	59,710	45,347	29,823

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2035
Room Summary	
Occupancy	70.00%
Average Daily Rate	313.78
TOTAL NET REVENUES (1)	
Net Operating Income	38,290
Administrative Expenses	(1,144)
Total Investment Earnings	4,262
TOTAL NET REVENUES	41,408
CASH FLOW EXPENDITURES (REVENUES)	
Series "A" Debt Service	20,575
Series "A" Capitalized Interest and DSRF Earnings	(10,259)
SERIES "A" NET DEBT SERVICE	10,315
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	2,718
Restaurant FF&E Reserve Deposit (1%)	561
Restaurant Subordinate Mgmt. Fee	2,709
HOT, F&B, Sales Tax Contribution	(3,578)
Series "B" Debt Service	7,120
Series "B" Capitalized Interest and DSRF Earnings	(3,412)
SERIES "B" NET DEBT SERVICE	3,708
CASH FLOW REMAINING	24,975
Subordinate Asset Manager Fee	620
Subordinate Management Fee	679
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	679
Series "C" Debt Service	4,226
Series "C" Capitalized Int. / Int. Earnings	-
SERIES "C" NET DEBT SERVICE	4,226
CASH FLOW REMAINING	18,770
Supersubordinate Asset Manager Fee	310
Supersubordinate Management Fee	340
EXCESS REVENUE	18,120
APPLICATION OF EXCESS REVENUE	
Deposit to Operating Reserve	-
Deposit to Cash Trap	
Deposit to Sinking Fund	9,060
Deposit to Special Reserve Fund (Series A Bonds)	-
Distribution to the Government	9,060
Total Distributions from Excess Revenue	18,120
COVERAGE RATIOS	
Series A (Includes Supplemental Reserve)	4.01
Series A (Net Revenues / Gross Debt Service)	2.01
Series B (Coverage from Tax Revenues Only)	0.96
Series B	2.25
Series C Current Pay Portion	1.72
RESERVE FUND BALANCES	
Operating Reserve Fund Balance	7,500
Cash Trap Fund Balance	5,000
Sinking Fund Balance	93,335
Special Reserve Fund (Series A Bonds)	25,000
Supplemental Reserve Fund (Series A Only)	-
Total Reserve Fund Balances	130,835
BOND FUNDED DEBT SERVICE RESERVES	
Series A Debt Service Reserve Fund (2)	
Series B Debt Service Reserve Fund (2)	-
Total Bond Funded DSR	-
TOTAL RESERVE FUND BALANCE	130,835
PRINCIPAL BALANCES	
Series A	-
Series B	-
Series C	0
Total Principal Balance	0

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

EXHIBIT D

(Project Budget)

Sources and Uses of Funds -
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel
(Dollars in Thousands)

Sources of Funds	Total	Series A-1 Bonds	Series A-2 Bonds	Series B Guaranteed Bonds	Series C Manager/ Developer Bonds
Par Amount of Bonds	$ 183,925	$ 63,065	$ 54,000	$ 44,745	$ 22,115
Reoffering Premium	$ 3,627	$ -	$ 2,832	$ 795	$ -
Interest Earnings on Project Construction Fund	$ 3,149	$ 1,007	$ 788	$ 864	$ 490
Hotel Operator Key Money Contribution	$ 3,000	$ -	$ -	$ -	$ 3,000
Accrued Interest from 04/01/2005 to 04/14/2005	$ 363	$ 165	$ 115	$ 82	$ -
TOTAL SOURCES OF FUNDS	**$ 194,064**	**$ 64,237**	**$ 57,735**	**$ 46,487**	**$ 25,605**
Uses of Funds					
Deposit to Project Construction Fund	$ 128,912	$ 40,076	$ 32,684	$ 35,831	$ 20,320
Deposit to Capitalized Interest (CIF) Fund	$ 28,102	$ 12,082	$ 8,396	$ 5,959	$ 1,665
Debt Service Reserve Fund	$ 13,039	$ 5,552	$ 4,233	$ 3,255	
Gross Bond Insurance Premium	$ 10,205	$ -	$ 10,205	$ -	$ -
Pre-Opening Expenses	$ 3,500	$ 3,500	$ -	$ -	$ -
Costs of Issuance	$ 5,686	$ 1,780	$ 2,024	$ 1,263	$ 618
Operating Capital	$ 3,000	$ -	$ -	$ -	$ 3,000
Corporation Construction Period Expenses	$ 1,000	$ 1,000	$ -	$ -	$ -
Deposit to Debt Service Fund	$ 363	$ 165	$ 115	$ 82	$ -
Surety Premium (Standby Loan)	$ 250	$ 80	$ 80	$ 90	$ -
Rounding Amount	$ 6	$ 1	$ (3)	$ 7	$ 1
TOTAL USES OF FUNDS	**$ 194,064**	**$ 64,237**	**$ 57,735**	**$ 46,487**	**$ 25,605**
Dated Date		4/1/05	4/1/05	4/1/05	4/1/05
True Interest Cost	7.170%	7.431%	5.693%	5.159%	12.000%
All-In-Cost	7.740%	7.510%	7.488%	5.222%	12.070%
Average Life	23.672 Years	23.467 Years	23.567 Years	23.907 Years	24.193 Years

Interest is capitalized for 12 months after the hotel opening.
The total project budget is $128,911,679.
The first construction draw occurs on 4/14/05.

EXHIBIT E

(Surety Bond)

ACA
Capital

ACA Financial Guaranty Corporation
140 Broadway, 47th Floor
New York, NY 10005
For information, contact:
(212) 375-2000
(888) 427-2833

DEBT SERVICE RESERVE FUND SURETY BOND

Surety Bond Number: SB______ **Effective Date: ________, 20__**

Maximum Amount: $1,100,000.00

Issuer: Lombard Public Facilities Corporation

Obligor: Lombard Public Facilities Corporation

Bonds: $____________ Conference Center and Hotel First Tier Revenue Bonds, Series 2005A-1 and A-2

ACA FINANCIAL GUARANTY CORPORATION ("ACA"), a Maryland stock insurance company, in consideration of the payment of the premium and subject to the terms and conditions contained in this Surety Bond (which includes each endorsement hereto), hereby unconditionally and irrevocably agrees to pay to the trustee (the "Trustee") or paying agent (the "Paying Agent") (as designated in the documentation providing for the issuance of and securing the Bonds) for the Bonds, for the benefit of the Owners, that amount of any withdrawal from the debt service reserve fund for the Bonds which shall become Due for Payment but shall be unpaid by reason of Nonpayment by the Issuer or Obligor, provided that no such payment shall exceed the Covered Amount then in effect.

ACA will make such payments to the Trustee or Paying Agent on the Business Day next following the Business Day on which ACA shall have received Notice of Nonpayment, in form reasonably satisfactory to it, from the Trustee or Paying Agent. Notice of Nonpayment will be deemed received on a given Business Day if it is received prior to 1:00 p.m. Eastern prevailing time on such Business Day; otherwise, it will be deemed received on the next Business Day. Payment by ACA to the Trustee or Paying Agent for the benefit of the Owners shall, to the extent thereof, discharge the obligation of ACA under this Surety Bond.

This Surety Bond may not be cancelled for any reason, and the premium on this Surety Bond will not be refunded for any reason, including the payment of the Bonds prior to their maturity.

The following terms shall have the meanings specified for all purposes of this Surety Bond. "Business Day" means any day other than a Saturday, a Sunday or a day on which banking institutions in the State of Maryland or the State of New York or the Insurer's Fiscal Agent are authorized or required by law to remain closed. "Covered Amount" means, as of any date, the Maximum Amount set forth above as the Maximum Amount, as reduced to the extent of each payment made by ACA hereunder and reinstated to the extent of each reimbursement of ACA pursuant to the terms of the Reimbursement Agreement, provided that the Covered Amount shall in no event exceed the Maximum Amount then in effect. "Due for Payment" means the date on which a withdrawal is required to be made, pursuant to the documents relating to the Bonds, from or in lieu of a debt service reserve fund relating to the Bonds. "Nonpayment" with respect to any date means the failure of the Issuer and the Obligor to have provided sufficient funds to the Trustee or the Paying Agent for payment in full of all amounts Due for Payment on such date. "Notice" means telephonic or electronic notice, subsequently confirmed in writing, or written notice by registered or certified mail, from the Trustee or the Paying Agent to ACA, which notice shall specify (a) the person or entity making the claim, (b) the Surety Bond Number, (c) the claimed amount and (d) the date such claimed amount became Due for Payment. "Owner" means, as to a particular Bond, the person other than the Issuer or any party whose direct or indirect obligation constitutes the underlying security for the Bonds, who at the time of Nonpayment, is entitled under the terms of such Bond to payment thereof. "Reimbursement Agreement" means the Debt Service Reserve Fund Reimbursement Agreement relating to this Surety Bond between ACA and the Obligor named therein.

ACA may appoint a fiscal agent (the "Insurer's Fiscal Agent") for purposes of this Surety Bond by giving written notice to the Trustee and the Paying Agent specifying the name and notice address of the Insurer's Fiscal Agent. From and after the date of receipt of such notice by the Trustee and the Paying Agent (a) copies of all notices required to be delivered to ACA pursuant to this Surety Bond shall be simultaneously delivered to the Insurer's Fiscal Agent and to ACA and shall not be deemed received by either until received by both and (b) all payments required to be made by ACA under this Surety Bond may be made directly by ACA or by the Insurer's Fiscal Agent on behalf of ACA. The Insurer's Fiscal Agent is the agent of ACA only and shall in no event be liable to any Owner for any act of the Insurer's Fiscal Agent or any failure of ACA to deposit or cause to be deposited sufficient funds to make any payments due under this Surety Bond. There shall be no acceleration payment due under this Surety Bond except at the sole option of ACA.

IN WITNESS WHEREOF, ACA has caused this Surety Bond to be affixed with its corporate seal and to be executed on its behalf by its duly authorized representative.

ACA FINANCIAL GUARANTY CORPORATION

[SEAL]

____
Authorized Representative

EXHIBIT 2

Letter of Credit Agreement

LETTER OF CREDIT AGREEMENT

This LETTER OF CREDIT AGREEMENT ("Agreement") is made and entered into as of _________, 2005 by and among Lombard Public Facilities Corporation, an Illinois not-for-profit corporation ("LPFC"), the Village of Lombard, a non-home-rule municipal corporation located in DuPage County, Illinois (the "Village") and Harp Lombard, LLC., an Illinois limited liability company ("Harp").

RECITALS:

A. The Village has long desired to encourage the development of a hotel and convention hall with associated banquet facilities, restaurants and other facilities (the "Hotel and Convention Hall") as a means of promoting tourism and other business activity within the Village.

B. The LPFC was formed to be in the business, directly or indirectly, in whole or in part, of owning, developing, managing and operating the Hotel and Convention Hall and is now, or soon will be the fee simple owner of certain property on which the Hotel and Convention Hall will be developed (the "Property"), which Property is generally located at the northeast corner of the Yorktown Shopping Center and is legally described in Exhibit A attached hereto and made a part hereof.

C. Harp is developing the Hotel and Convention Hall pursuant to, among other things, the terms of that certain Agreement dated December 1, 2003 between the Village and Harp and that certain Master Development Agreement dated as of ______ __, 2005 by and between Harp and the LPFC (the "Master Development Agreement").

D. The Village has determined that the optimal financial structure for the financing of the Hotel and Convention Hall development will include, among other things, the issuance of tax exempt revenue bonds through the LPFC, coupled with the rebate by the Village of all hotel/motel taxes, all retailers' occupation taxes and all places of eating taxes generated by the Hotel and Convention Hall or the operation thereof as security for a portion of said bonds.

E. The LPFC has indicated its desire and intent to issue tax exempt revenue bonds (the "Bond Financing") and develop a Hotel and Convention Hall on the Property (collectively the "Project"), all as described in Exhibit B attached hereto and made part hereof (the "Project Description").

F. Harp will provide certain asset management services to LPFC pursuant to the terms of that certain Asset Management Agreement between Harp and LPFC dated of even date herewith (the "Asset Management Agreement").

G. In connection with the Project, Harp, the Village and LPFC, with the assistance of consultants and advisors, have prepared a proforma showing the sources and uses of funds related to the Bond Financing and a projected cash flow summary of the Project through the year

2035 (the "Project Proforma") and a project budget estimating and itemizing costs and expenses relating to the Project (the "Project Budget"), copies of which Project Proforma and Project Budget are attached hereto as Exhibit C and Exhibit D, respectively, and made part hereof.

H. The Bond Financing requires the LPFC to issue senior lien tax exempt bonds and subordinate lien tax exempt bonds in an amount sufficient to provide funds for constructing the Hotel and Convention Hall, establish various reserves, pay the costs of issuance and otherwise complete the Project, all as generally described in the Project Description and as more particularly set forth in the trust indenture and other documents relating to the issuance of the bonds (collectively, the "Bond Documents").

I. The Village has determined that it is in the best interest of the Village to pursue the development of the Project, and thus, it is willing to undertake certain incentives to assist LPFC with the development of the Project.

J. Among other things, the Village has entered into that certain Tax Rebate Agreement with the LPFC dated ______ __, 2005 (the "Tax Rebate Agreement") pursuant to which the Village has agreed to rebate all hotel/motel taxes, all retailers' occupation taxes and all places of eating taxes generated by the Hotel and Convention Hall or the operation thereof.

K. The parties hereto are willing to enter into this Letter of Credit Agreement upon the terms and conditions set forth herein.

NOW THEREFORE, in consideration of the foregoing, and the mutual covenants and agreements contained herein, the Village, LPFC and Harp covenant and agree as follows:

1. Letter of Credit. In consideration of the Village's entering into the Tax Rebate Agreement and performing its obligations thereunder and the LPFC entering into the Asset Management Agreement and the Master Development Agreement and performing its obligations thereunder, Harp agrees to furnish to the Village on or before the date that is the earlier of (a) the Date of Final Completion or (b) the date two (2) years from the date of the closing of the Bond Financing, a renewable letter of credit in the amount of $2,000,000 (the "Letter of Credit"), to be used as a source of funds that can be drawn upon by the Village in the event that the Village is required to use its general revenues not related to the Project in order to fulfill its obligations as set forth in Section V.D. of the Tax Rebate Agreement, in which case, any and all proceeds of the Letter of Credit shall be used by the Village solely to fulfill such obligations.

2. Village's Ability to Draw on the Letter of Credit. Provided that the Village is not in default under the Tax Rebate Agreement, and further that the Asset Management Agreement remains in full force and effect, and further provided that the LPFC (i) collects all taxes, refunds and rebates that it is entitled to collect pursuant to, and as contemplated by, the Tax Rebate Agreement, (ii) makes all such taxes, refunds and rebates available for distribution in accordance with the terms of the Bond Documents and (iii) is not in default under the Master

Development Agreement or the Asset Management Agreement, then the Village shall be entitled to draw upon the Letter of Credit, if and only if the Village would have to go Out of Pocket (as defined below) in order to fulfill its obligations under Section V.D. of the Tax Rebate Agreement. The Village shall be deemed to be "Out of Pocket" in any given year at such time as (w) the Village has made its required tax rebate payments under Section V.A. of the Tax Rebate Agreement, (x) all debt service reserves available for payment of the Series "B" bond debt service from the Operating Reserve Fund, the Cash Trap Fund, the Redemption Fund, and the Series B Debt Service Reserve Fund (as set forth in the Project Proforma) have been drawn on such that none remain, (y) there is not sufficient net cash flow available from the Project to pay the Series "B" Bond debt service, and (z) the Village, but for the Letter of Credit, would be required to use its general revenues to fulfill its obligations as set forth in Section V.D. of the Tax Rebate Agreement in said year.

3. Amount of Draw. The Village shall only be entitled to draw on the Letter of Credit such amount as necessary for the Village to satisfy its obligations under Section V.D. without having to go Out of Pocket.

4. Replenishment of Letter of Credit. To the extent that the Village draws on the Letter of Credit in any one year, Harp shall use asset management fees actually paid to it, which are not returned to the Trustee to pay Series "C" Bond debt service under the terms of the Indenture, as the "Asset Manager" under the Asset Management Agreement during such year ("Replenishment Amount") to replenish the Letter of Credit or provide additional or substitute letters of credit (the "New LC's") so that the amount available under the Letter of Credit and New LC's is equal to $2,000,000. To the extent that the Replenishment Amount does not cause the Letter of Credit and New LC's to equal $2,000,000, then Harp shall, in future years, upon receipt of additional asset management fees which are not returned to the Trustee to pay Series "C" Bond debt service under the terms of the Indenture, continue to replenish the Letter of Credit or provide New LC's until the Letter of Credit and New LC's provide $2,000,000 in available funds.

5. Amounts Drawn Treated as Loan to LPFC. All amounts drawn from the Letter of Credit or New LC's shall be treated as a loan from Harp to LPFC since such amounts are being used to fulfill LPFC's obligations under the Bond Financing. Such amounts shall be repaid, to the extent available, on an annual basis by LPFC to Harp, without interest (until such time that the loans have been repaid in full) from the Project's cash flow prior to subsequent "Distributions to Government" as shown in the Project Proforma. The parties shall execute such documents as necessary or appropriate to evidence any such loans.

6. LPFC Obligations. The LPFC agrees and covenants to comply with and fulfill all of its obligations under documents relating to the Bond Financing, specifically including its obligations under the Tax Rebate Agreement. LPFC specifically covenants and agrees to use all applicable debt service reserves established

pursuant to the Bond Financing and all Tax Revenues (as defined in the Tax Rebate Agreement) to secure or pay amounts due with respect to the Series "B" Bonds as referenced in the Project Proforma.

7. Term. Harp shall cause the Letter of Credit to remain outstanding until such time as any of the following shall have occurred: (i) the defeasance or redemption of the 2005 Series "B" Bonds, (ii) a default by the Village under the Tax Rebate Agreement or this Agreement subject to any applicable cure periods, (iii) the failure of the LPFC to collect taxes, refunds and rebates which it is entitled to collect pursuant to, and as contemplated by, the Tax Rebate Agreement and to make such taxes, refunds and rebates available for distribution in accordance with the terms of the Bond Documents, or (iv) the expiration or termination of the Asset Management Agreement. Upon the occurrence of any of (i) through (iv) above, the Letter of Credit or New LC, as the case may be, shall be returned to Harp.

8. General Provisions.

(a) Entire Agreement. This Agreement, and the other agreements and documents referred to herein, and the attachments hereto, if any, constitute the entire understanding of the parties with respect to the subject matter hereof. Any previous agreements or understandings between the parties regarding the subject matter hereof are merged into and superseded by this Agreement. This Agreement shall specifically replace and supercede that certain prior Letter of Credit Agreement dated _______ __, 2005 by and between Harp, LPFC and the Village.

(b) Waiver. No failure by LPFC, Harp or the Village to insist upon strict performance of any covenant, agreement, term or condition of this Agreement, or to exercise any right or remedy consequent upon a breach thereof, shall constitute a waiver of any such breach or any subsequent breach of such covenant, agreement, term or condition of this Agreement, and no breach thereof shall be waived, altered or modified, except by written instrument signed by the party or parties waiving same. No waiver of any breach shall affect or alter this Agreement, but each and every covenant, agreement, term and condition of this Agreement shall continue in full force and effect with respect to any other existing or subsequent breach thereof.

(c) Amendments. This Agreement may be amended, supplemented or interpreted at any time only by written instrument duly executed by each of the parties hereto.

(d) Notices. Except as otherwise provided in this Agreement, all notices, demands, requests, consents, approvals and other communications (collectively, "Notices"), required or permitted to be given hereunder, or which are to be given with respect to this Agreement, shall be in writing and personally delivered, or sent by facsimile (with a confirming copy sent by regular mail), or by a nationally recognized overnight courier service, or by registered or certified mail, postage prepaid, return receipt requested, addressed to the party to be so notified as follows:

If to LPFC: Lombard Public Facilities Corporation
c/o Leonard Flood, Registered Agent
255 East Wilson Avenue
Lombard, IL 60148

Copy to: Klein Thorpe & Jenkins, Ltd.
20 N. Wacker Drive, Suite 1660
Chicago, IL 60606
Attention: Gerard Dempsey/Donald E. Renner, Esq.
Fax No.: 312-984-6444

If to Harp: Harp Lombard L.L.C.
377 E. Butterfield Road, 6th Floor
Lombard, IL 60148
Attention: Thomas McGuigan or Peter Dumon
Fax No.: 630-971-1360

Copy to: Lord, Bissell & Brook LLP
115 South LaSalle Street
Chicago, Illinois 60603
Attention: Donald J. Manikas, Esq.
Fax No.: 312-896-6548

If to Lombard: William Lichter
Village Manager
255 East Wilson Avenue
Lombard, IL 60148

Copy to: Klein Thorpe & Jenkins, Ltd.
20 N. Wacker Drive, Suite 1660
Chicago, IL 60606
Attention: Thomas Bayer, Esq.
Fax No.: 312-984-6444

Notices shall be deemed received (i) on the date of delivery if personally delivered, (ii) one (1) business day after sending if sent by facsimile or overnight courier service, or (iii) three (3) business days after sending if sent by registered mail.

(e) Assignment. Except as provided herein, neither this Agreement nor any of the rights and obligations hereunder may be assigned by any party without the prior written consent of the other party hereto. Subject to the foregoing, this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective heirs, legal representatives, successors and permitted assigns of the parties hereto.

(f) Severability. The provisions of this Agreement are severable. If any provision in this Agreement is found invalid, illegal or unenforceable, such provision shall be severable from the remainder of this Agreement and the validity, legality and enforceability of the remaining provisions shall not in anyway be affected or impaired thereby.

(g) Construction. This Agreement is a commercial agreement between sophisticated parties which has been entered into by the parties in reliance upon the economic and legal bargains contained herein. This Agreement shall be interpreted and construed in a fair and impartial manner without regard to which party prepared the instruments, the relative bargaining powers of the parties or the domicile of any party.

(h) Headings. The various headings used in this Agreement are inserted for convenience only and shall not in any way affect the meaning or construction of this Agreement or any provision hereof.

(i) Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all such counterparts together shall constitute but one agreement.

(j) Time is of the Essence. Time is of the essence of this Agreement and each and every provision hereof.

(k) No Partnership. Nothing in this Agreement is intended to constitute any party as a partner or joint venturer of any other party for any purpose.

(l) Exhibits. All Exhibits identified in this Agreement are incorporated herein by reference.

(m) Instruments of Further Assurance. Each of the parties hereto agrees, upon the request of any of the other parties hereto, from time to time to execute and deliver to such other party or parties all such instruments and documents of further assurance or otherwise as shall be reasonable under the circumstances, and to do any and all such acts and things as may reasonably be required to carry out the obligations of such requested party hereunder.

(n) No Third Party Beneficiaries. Nothing in this Agreement is intended nor shall it be construed to give any person, firm, corporation or other entity, other than the parties hereto and their respective successors and permitted assigns, any right, remedy or claim under or in respect of this Agreement or any provisions hereof.

(o) Governing Law. This Agreement shall be governed, construed and enforced in accordance with the internal substantive laws of the State of Illinois, excluding any choice of law rules which may direct the application of the laws of another jurisdiction, and any court proceeding in relation hereto shall be brought in DuPage County, Illinois.

(p) Attorneys' Fees. If any party takes legal action to enforce its rights or pursue its remedies hereunder, then the non-prevailing party or parties in such litigation shall be required to pay or reimburse the prevailing party for all fees, costs and expenses incurred by the prevailing party in connection therewith, including without limitation, reasonable attorneys' fees and court costs.

(q) Any capitalized term that is not expressly defined herein shall have the meaning as ascribed to such term in the Master Glossary of Terms for Lombard Public Facilities Conference Center and Hotel Revenue Bond Transaction dated as of _______ ___, 2005(the "Master Glossary").

[THE REMAINDER OF THIS PAGE LEFT BLANK INTENTIONALLY SIGNATURES APPEAR ON THE FOLLOWING PAGE]

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed, effective as of the date first set forth above.

LOMBARD PUBLIC FACILITIES CORPORATION

By: ______________________________

Its: _________________________

HARP LOMBARD, LLC

By: ______________________________

Its: _________________________

VILLAGE OF LOMBARD

By: ______________________________

Its: _________________________

EXHIBIT A

(Legal Description for Subject Property

LOT 2 IN YORKTOWN PERIPHERAL/TARGET SUBDIVISION, BEING A PART OF THE NORTHEAST ¼ OF SECTION 29, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 17, 1995 AS DOCUMENT R95-162762, IN DUPAGE COUNTY, ILLINOIS.

EXHIBIT B

(Project Description)

(A) Project. It is currently contemplated that the Project will consist of a convention hall ("Convention Center" or the "Convention Hall") containing approximately 50,000 square feet of net meeting space and a Westin Hotel containing approximately 500 rooms.

1. The Hotel will consist of the above conference space and the following:
   - Approximately 500 guest rooms, which will include an appropriate mix of King Rooms, Double Queens, and several types of suites
   - Spacious lobby
   - Up to two restaurants, each with full cocktail capabilities with a total are of no more than 16,000 sf, exclusive of the Hotel café
   - Swimming pool and workout facilities
   - Gift shop
   - Kitchen and Back-of-House areas to support all of the above guest areas
   - Employee spaces
   - Security offices
   - Executive offices for Hotel Management
   - Storage facilities as appropriate
   - Laundry facility for all Hotel requirements

2. The Convention Center is currently designed to encompass the following:
   - +/- 20,000 SF Grand Ballroom; divisible
   - +/- 10,000 SF Ballroom; divisible
   - +/- 10,000 SF Breakout Meeting Rooms; divisible
   - +/- 10,000 SF of small meeting rooms and boardroom space
   - Pre-function space and support facilities for all of the above

3. Based on the floor areas described above, the Project will also include surface parking for approximately 300 cars and in a parking structure that will contain approximately 610 parking stalls. This is determined pursuant to parking ratio requirements of the Declaration that is outlined in Exhibit 7.2(b) to the Purchase and Sale Agreement to which this is itself an Exhibit, and in accordance with the following:

   - 500 guest rooms at 1 automobile parking space for each guest room which requires 500 spaces
   - 16,000 Square feet of restaurant space at 10 automobile parking spaces for each 1,000 square feet of restaurant area which requires 160 spaces
   - 50,000 square feet of Convention Center at 5 automobile parking spaces for each 1,000 square feet of Convention Center area which requires 250 spaces
   - a retail space of less than 1,000 square feet which requires no spaces

(B) Structure: The Project consisting of a Convention Hall and Hotel facility as described above will be constructed and equipped with proceeds of bonds to be issued by a corporation to be formed under the Illinois not for profit corporation statute (the "Public Facilities Corporation" or the "PFC") The Public Facilities Corporation will be organized in compliance with federal tax law to enable it to issue tax exempt bonds on behalf of the Village of Lombard. All of the PFC directors will be appointed by and serve at the pleasure of the Village. Upon retirement of the bonds, unencumbered fee title to all facilities constructed with bond proceeds will pass to the Village.

The bonds will be issued in three series, all secured by a pledge of the new revenues of the Hotel and Convention Hall, the Village's hotel/motel tax receipts and sales taxes generated by the Hotel and Convention Hall. Series A will be the senior bonds, Series B will be junior to series A, and Series C will be junior to Series B. Neither in the taxing power nor the full faith and credit of the Village will be pledged as security for any of the bonds.

Bond proceeds will be used to acquire the Property and construct and equip the Hotel and Convention Hall o the property and the parking structure. An escrow will be created at the time of closing of the bonds to pay for off-site improvements that will benefit the Hotel and Convention Hall and adjacent areas. Bond proceeds will also provide for the payment of interest on the bonds through the completion of construction of the facilities and costs of issuance of the bonds.

The bonds will be issued pursuant to a trust indenture with a bank. The trust indenture will provide all of the details of the bonds and how the proceeds will be invested and applied. The trust indenture will be approved by resolution of the board of directors of the Public Facilities Corporation following the execution of a bond purchase contract providing for the sale of the bonds to an investment banking firm. The investment banking firm will then resell the bonds to the public. At the bond closing, the investment banking firm will deliver cash in exchange for the bonds. The Public Facilities Corporation. Harp Lombard, LLC will have a Development Agreement and an Asset Management Agreement with the PFC.

The Public Facilities Corporation will enter into a management contract with an entity to operate the Hotel and Convention Hall on a day to day basis. The management company will be responsible for the successful operation of the facilities so as to generate the revenues and sales taxes to discharge the Public Facilities Corporation's debt service obligations on the bonds. As indicated above, when the bonds are fully discharged, the Public Facilities Corporation will deed the facilities to the Village and cease to exist.

EXHIBIT C

(Project Proforma)

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Room Summary										
Occupancy	-	-	57.00%	64.00%	67.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Average Daily Rate	-	-	129.76	136.65	145.13	149.86	154.36	158.99	163.76	168.67
TOTAL NET REVENUES (1)										
Net Operating Income	-	-	8,497	14,710	16,407	18,310	18,836	19,376	20,035	20,581
Administrative Expenses	-	-	(500)	(515)	(530)	(546)	(563)	(580)	(597)	(615)
Total Investment Earnings	-	140	-	-	-	648	724	814	853	908
TOTAL NET REVENUES	-	140	7,997	14,195	15,877	18,412	18,997	19,610	20,291	20,874
CASH FLOW EXPENDITURES (REVENUES)										
Series "A" Debt Service	5,827	7,769	7,769	7,769	7,769	7,769	7,769	9,219	9,272	9,321
Series "A" Capitalized Interest and DSRF Earnings	(5,827)	(7,769)	(7,769)	(2,460)	(475)	(475)	(475)	(475)	(475)	(475)
SERIES "A" NET DEBT SERVICE	-	-	-	5,309	7,294	7,294	7,294	8,744	8,798	8,847
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	-	-	334	829	1,218	1,299	1,337	1,372	1,417	1,454
Restaurant FF&E Reserve Deposit (1%)	-	-	162	240	250	269	277	285	298	306
Restaurant Subordinate Mgmt. Fee	-	-	379	893	932	1,218	1,261	1,319	1,394	1,446
HOT, F&B, Sales Tax Contribution	-	-	(465)	(1,210)	(1,553)	(1,677)	(1,763)	(1,814)	(1,872)	(1,930)
Series "B" Debt Service	1,711	2,282	2,282	2,282	2,282	2,282	2,282	2,532	2,602	2,679
Series "B" Capitalized Interest and DSRF Earnings	(1,711)	(2,282)	(2,282)	(732)	(158)	(158)	(158)	(158)	(158)	(158)
SERIES "B" NET DEBT SERVICE	-	-	-	1,550	2,124	2,124	2,124	2,374	2,445	2,521
CASH FLOW REMAINING	-	140	7,588	6,584	5,611	7,884	8,466	7,330	7,812	8,231
Subordinate Asset Manager Fee	-	-	164	258	277	297	306	314	326	335
Subordinate Management Fee	-	-	167	276	305	325	334	343	354	363
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	-	-	-	-	-	-	-	-	-	-
Series "C" Debt Service	663	956	880	880	880	3,948	3,948	4,226	4,226	4,226
Series "C" Capitalized Int. / Int. Earnings	(663)	(956)	(145)	(370)	(525)	-	-	-	-	-
SERIES "C" NET DEBT SERVICE	-	-	735	510	355	3,948	3,948	4,226	4,226	4,226
CASH FLOW REMAINING	-	140	6,522	5,540	4,674	3,315	3,878	2,446	2,905	3,307
Supersubordinate Asset Manager Fee	-	-	82	129	139	148	153	157	163	167
Supersubordinate Management Fee	-	-	-	-	-	-	167	171	177	182
EXCESS REVENUE	-	140	6,439	5,411	4,535	3,167	3,558	2,118	2,565	2,958
APPLICATION OF EXCESS REVENUE										
Deposit to Operating Reserve	-	140	3,360	-	-	-	-	-	-	-
Deposit to Cash Trap		-	3,079	1,921	-	-	-			
Deposit to Sinking Fund	-	-	-	-	-	-	-	-	-	-
Deposit to Special Reserve Fund (Series A Bonds)			-	2,491	3,535	2,167	2,558	1,118	1,565	1,958
Distribution to the Government	-	-	-	1,000	1,000	1,000	1,000	1,000	1,000	1,000
Total Distributions from Excess Revenue	-	140	6,439	5,411	4,535	3,167	3,558	2,118	2,565	2,958
COVERAGE RATIOS										
Series A (Includes Supplemental Reserve)	-	-	-	3.05	2.45	2.80	2.60	2.24	2.31	2.36
Series A (Net Revenues / Gross Debt Service)			1.03	1.83	2.04	2.37	2.45	2.13	2.19	2.24
Series B (Coverage from Tax Revenues Only)	-	-	-	0.78	0.73	0.79	0.83	0.76	0.77	0.77
Series B	-	-	-	1.75	1.47	1.65	1.69	1.52	1.54	1.56
Series C Current Pay Portion			7.43	1.56	1.37	1.20	1.23	1.13	1.15	1.17
RESERVE FUND BALANCES										
Operating Reserve Fund Balance	4,000	4,140	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Cash Trap Fund Balance	-		3,079	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sinking Fund Balance	-	-	-	-	-	-	-	-	-	-
Special Reserve Fund (Series A Bonds)	-	-	-	2,491	6,026	8,192	10,751	11,869	13,434	15,392
Supplemental Reserve Fund (Series A Only)		-	2,000	2,000	2,000	2,000	-	-	-	-
Total Reserve Fund Balances	4,000	4,140	12,579	16,991	20,526	22,692	23,251	24,369	25,934	27,892
BOND FUNDED DEBT SERVICE RESERVES										
Series A Debt Service Reserve Fund (2)	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785
Series B Debt Service Reserve Fund (2)	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255
Total Bond Funded DSR	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
TOTAL RESERVE FUND BALANCE	17,039	17,179	25,619	30,030	33,565	35,732	36,290	37,408	38,973	40,931
PRINCIPAL BALANCES										
Series A	117,065	117,065	117,065	117,065	117,065	117,065	117,065	115,615	114,025	112,290
Series B	44,745	44,745	44,745	44,745	44,745	44,745	44,745	44,495	44,165	43,745
Series C	23,442	25,355	27,582	30,085	32,897	32,897	32,897	32,619	32,307	31,958
Total Principal Balance	185,252	187,165	189,392	191,895	194,707	194,707	194,707	192,729	190,497	187,993

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Room Summary										
Occupancy	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Average Daily Rate	173.73	178.94	184.31	189.84	195.53	201.40	207.44	213.67	220.08	226.68
TOTAL NET REVENUES (1)										
Net Operating Income	21,166	21,836	22,491	23,166	23,861	24,577	25,314	26,073	26,856	27,661
Administrative Expenses	(633)	(652)	(672)	(692)	(713)	(734)	(756)	(779)	(802)	(826)
Total Investment Earnings	976	1,060	1,148	1,254	1,378	1,468	1,566	1,675	1,794	1,924
TOTAL NET REVENUES	21,509	22,243	22,967	23,727	24,526	25,310	26,124	26,970	27,848	28,759
CASH FLOW EXPENDITURES (REVENUES)										
Series "A" Debt Service	9,376	9,431	9,482	9,542	9,602	9,662	9,726	9,789	9,852	9,921
Series "A" Capitalized Interest and DSRF Earnings	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)
SERIES "A" NET DEBT SERVICE	8,901	8,956	9,008	9,067	9,127	9,188	9,252	9,314	9,378	9,447
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	1,501	1,550	1,596	1,644	1,694	1,744	1,797	1,851	1,906	1,963
Restaurant FF&E Reserve Deposit (1%)	310	320	329	339	350	360	371	382	393	405
Restaurant Subordinate Mgmt. Fee	1,480	1,545	1,591	1,639	1,688	1,739	1,791	1,845	1,900	1,957
HOT, F&B, Sales Tax Contribution	(1,982)	(2,039)	(2,101)	(2,165)	(2,229)	(2,296)	(2,365)	(2,436)	(2,509)	(2,585)
Series "B" Debt Service	2,762	2,832	2,906	2,991	3,076	3,165	3,256	3,345	3,442	3,540
Series "B" Capitalized Interest and DSRF Earnings	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)
SERIES "B" NET DEBT SERVICE	2,605	2,674	2,749	2,833	2,918	3,007	3,098	3,187	3,284	3,382
CASH FLOW REMAINING	8,694	9,238	9,795	10,369	10,978	11,568	12,181	12,827	13,496	14,189
Subordinate Asset Manager Fee	343	354	364	375	386	398	410	422	435	448
Subordinate Management Fee	375	387	399	411	423	436	449	463	477	491
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	-	387	399	411	423	436	449	463	477	491
Series "C" Debt Service	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
Series "C" Capitalized Int. / Int. Earnings	-	-	-	-	-	-	-	-	-	-
SERIES "C" NET DEBT SERVICE	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
CASH FLOW REMAINING	3,749	3,884	4,406	4,945	5,519	6,072	6,646	7,254	7,882	8,534
Supersubordinate Asset Manager Fee	171	177	182	188	193	199	205	211	217	224
Supersubordinate Management Fee	188	194	200	206	212	218	225	231	238	245
EXCESS REVENUE	3,390	3,513	4,025	4,552	5,114	5,655	6,217	6,811	7,426	8,064
APPLICATION OF EXCESS REVENUE										
Deposit to Operating Reserve	-	-	-	-	-	-	-	-	-	-
Deposit to Cash Trap										
Deposit to Sinking Fund	-	-	-	1,872	2,557	2,828	3,108	3,406	3,713	4,032
Deposit to Special Reserve Fund (Series A Bonds)	2,390	2,513	3,025	1,680	-	-	-	-	-	-
Distribution to the Government	1,000	1,000	1,000	1,000	2,557	2,828	3,108	3,406	3,713	4,032
Total Distributions from Excess Revenue	3,390	3,513	4,025	4,552	5,114	5,655	6,217	6,811	7,426	8,064
COVERAGE RATIOS										
Series A (Includes Supplemental Reserve)	2.42	2.48	2.55	2.62	2.69	2.75	2.82	2.90	2.97	3.04
Series A (Net Revenues / Gross Debt Service)	2.29	2.36	2.42	2.49	2.55	2.62	2.69	2.76	2.83	2.90
Series B (Coverage from Tax Revenues Only)	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76	0.76
Series B	1.59	1.61	1.64	1.67	1.70	1.72	1.75	1.77	1.80	1.83
Series C Current Pay Portion	1.19	1.19	1.21	1.24	1.26	1.28	1.30	1.33	1.35	1.37
RESERVE FUND BALANCES										
Operating Reserve Fund Balance	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Cash Trap Fund Balance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sinking Fund Balance	-	-	-	1,872	4,429	7,257	10,365	13,770	17,484	21,516
Special Reserve Fund (Series A Bonds)	17,782	20,295	23,320	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Supplemental Reserve Fund (Series A Only)	-	-	-	-	-	-	-	-	-	-
Total Reserve Fund Balances	30,282	32,795	35,820	39,372	41,929	44,757	47,865	51,270	54,984	59,016
BOND FUNDED DEBT SERVICE RESERVES										
Series A Debt Service Reserve Fund (2)	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785
Series B Debt Service Reserve Fund (2)	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255
Total Bond Funded DSR	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
TOTAL RESERVE FUND BALANCE	43,321	45,834	48,859	52,411	54,968	57,796	60,904	64,310	68,023	72,055
PRINCIPAL BALANCES										
Series A	110,395	108,330	106,075	103,610	100,920	97,990	94,800	91,335	87,575	83,495
Series B	43,225	42,615	41,905	41,080	40,135	39,060	37,840	36,470	34,935	33,225
Series C	31,566	31,128	30,638	30,088	29,473	28,783	28,011	27,146	26,178	25,093
Total Principal Balance	185,186	182,073	178,618	174,778	170,528	165,833	160,651	154,951	148,688	141,813

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2025	2026	2027	2028	2029	2030	2031	2032	2033	2034
Room Summary										
Occupancy	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%	70.00%
Average Daily Rate	233.48	240.48	247.70	255.13	262.78	270.67	278.79	287.15	295.76	304.64
TOTAL NET REVENUES (1)										
Net Operating Income	28,491	29,346	30,226	31,133	32,067	33,029	34,020	35,040	36,092	37,174
Administrative Expenses	(851)	(877)	(903)	(930)	(958)	(987)	(1,016)	(1,047)	(1,078)	(1,111)
Total Investment Earnings	2,066	2,218	2,383	2,561	2,753	2,961	3,186	3,428	3,687	3,965
TOTAL NET REVENUES	29,705	30,687	31,706	32,763	33,862	35,003	36,189	37,421	38,700	40,029
CASH FLOW EXPENDITURES (REVENUES)										
Series "A" Debt Service	9,994	10,059	10,135	10,210	10,282	10,364	10,444	10,524	10,608	10,697
Series "A" Capitalized Interest and DSRF Earnings	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)	(475)
SERIES "A" NET DEBT SERVICE	9,520	9,585	9,661	9,735	9,807	9,889	9,969	10,050	10,133	10,223
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	2,022	2,083	2,145	2,210	2,276	2,344	2,415	2,487	2,562	2,638
Restaurant FF&E Reserve Deposit (1%)	417	430	443	456	470	484	498	513	529	545
Restaurant Subordinate Mgmt. Fee	2,016	2,076	2,139	2,203	2,269	2,337	2,407	2,479	2,554	2,630
HOT, F&B, Sales Tax Contribution	(2,662)	(2,742)	(2,824)	(2,909)	(2,996)	(3,086)	(3,179)	(3,274)	(3,372)	(3,473)
Series "B" Debt Service	3,644	3,750	3,854	3,867	3,868	3,868	3,865	3,865	3,867	3,865
Series "B" Capitalized Interest and DSRF Earnings	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)	(158)
SERIES "B" NET DEBT SERVICE	3,486	3,592	3,696	3,709	3,711	3,710	3,707	3,707	3,709	3,707
CASH FLOW REMAINING	14,906	15,664	16,447	17,359	18,326	19,325	20,372	21,459	22,586	23,758
Subordinate Asset Manager Fee	461	475	490	504	519	535	551	568	585	602
Subordinate Management Fee	506	521	536	552	569	586	604	622	640	660
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	506	521	536	552	569	586	604	622	640	660
Series "C" Debt Service	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
Series "C" Capitalized Int. / Int. Earnings	-	-	-	-	-	-	-	-	-	-
SERIES "C" NET DEBT SERVICE	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226	4,226
CASH FLOW REMAINING	9,207	9,921	10,659	11,524	12,443	13,392	14,388	15,422	16,495	17,611
Supersubordinate Asset Manager Fee	231	238	245	252	260	267	276	284	292	301
Supersubordinate Management Fee	253	260	268	276	284	293	302	311	320	330
EXCESS REVENUE	8,724	9,423	10,146	10,996	11,898	12,832	13,810	14,827	15,882	16,980
APPLICATION OF EXCESS REVENUE										
Deposit to Operating Reserve	-	-	-	-	-	-	-	-	-	-
Deposit to Cash Trap										
Deposit to Sinking Fund	4,362	4,711	5,073	5,498	5,949	6,416	6,905	7,414	7,941	8,490
Deposit to Special Reserve Fund (Series A Bonds)	-	-	-	-	-	-	-	-	-	-
Distribution to the Government	4,362	4,711	5,073	5,498	5,949	6,416	6,905	7,414	7,941	8,490
Total Distributions from Excess Revenue	8,724	9,423	10,146	10,996	11,898	12,832	13,810	14,827	15,882	16,980
COVERAGE RATIOS										
Series A (Includes Supplemental Reserve)	3.12	3.20	3.28	3.37	3.45	3.54	3.63	3.72	3.82	3.92
Series A (Net Revenues / Gross Debt Service)	2.97	3.05	3.13	3.21	3.29	3.38	3.47	3.56	3.65	3.74
Series B (Coverage from Tax Revenues Only)	0.76	0.76	0.76	0.78	0.81	0.83	0.86	0.88	0.91	0.94
Series B	1.85	1.88	1.91	1.95	1.99	2.03	2.07	2.12	2.16	2.20
Series C Current Pay Portion	1.40	1.42	1.45	1.48	1.51	1.54	1.58	1.61	1.64	1.68
RESERVE FUND BALANCES										
Operating Reserve Fund Balance	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500	7,500
Cash Trap Fund Balance	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000	5,000
Sinking Fund Balance	25,877	30,589	35,662	41,160	47,109	53,525	60,430	67,843	75,785	84,275
Special Reserve Fund (Series A Bonds)	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000	25,000
Supplemental Reserve Fund (Series A Only)	-	-	-	-	-	-	-	-	-	-
Total Reserve Fund Balances	63,377	68,089	73,162	78,660	84,609	91,025	97,930	105,343	113,285	121,775
BOND FUNDED DEBT SERVICE RESERVES										
Series A Debt Service Reserve Fund (2)	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785	9,785
Series B Debt Service Reserve Fund (2)	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255	3,255
Total Bond Funded DSR	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039	13,039
TOTAL RESERVE FUND BALANCE	76,417	81,128	86,201	91,699	97,648	104,064	110,969	118,383	126,324	134,814
PRINCIPAL BALANCES										
Series A	79,070	74,285	69,105	63,505	57,460	50,930	43,885	36,290	28,105	19,285
Series B	31,325	29,220	26,900	24,445	21,860	19,140	16,280	13,270	10,100	6,765
Series C	23,878	22,518	20,994	19,287	17,375	15,234	12,836	10,150	7,142	3,773
Total Principal Balance	134,273	126,023	116,999	107,237	96,695	85,304	73,001	59,710	45,347	29,823

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

Project Cash Flow Summary
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel

Calendar Year	2035
Room Summary	
Occupancy	70.00%
Average Daily Rate	313.78
TOTAL NET REVENUES (1)	
Net Operating Income	38,290
Administrative Expenses	(1,144)
Total Investment Earnings	4,262
TOTAL NET REVENUES	41,408
CASH FLOW EXPENDITURES (REVENUES)	
Series "A" Debt Service	20,575
Series "A" Capitalized Interest and DSRF Earnings	(10,259)
SERIES "A" NET DEBT SERVICE	10,315
Hotel FF&E Reserve Deposit (2%, 3%, 4%...)	2,718
Restaurant FF&E Reserve Deposit (1%)	561
Restaurant Subordinate Mgmt. Fee	2,709
HOT, F&B, Sales Tax Contribution	(3,578)
Series "B" Debt Service	7,120
Series "B" Capitalized Interest and DSRF Earnings	(3,412)
SERIES "B" NET DEBT SERVICE	3,708
CASH FLOW REMAINING	24,975
Subordinate Asset Manager Fee	620
Subordinate Management Fee	679
Subordinate FF&E Reserve Deposit (1% in 10th yr & out)	679
Series "C" Debt Service	4,226
Series "C" Capitalized Int. / Int. Earnings	-
SERIES "C" NET DEBT SERVICE	4,226
CASH FLOW REMAINING	18,770
Supersubordinate Asset Manager Fee	310
Supersubordinate Management Fee	340
EXCESS REVENUE	18,120
APPLICATION OF EXCESS REVENUE	
Deposit to Operating Reserve	-
Deposit to Cash Trap	
Deposit to Sinking Fund	9,060
Deposit to Special Reserve Fund (Series A Bonds)	-
Distribution to the Government	9,060
Total Distributions from Excess Revenue	18,120
COVERAGE RATIOS	
Series A (Includes Supplemental Reserve)	4.01
Series A (Net Revenues / Gross Debt Service)	2.01
Series B (Coverage from Tax Revenues Only)	0.96
Series B	2.25
Series C Current Pay Portion	1.72
RESERVE FUND BALANCES	
Operating Reserve Fund Balance	7,500
Cash Trap Fund Balance	5,000
Sinking Fund Balance	93,335
Special Reserve Fund (Series A Bonds)	25,000
Supplemental Reserve Fund (Series A Only)	-
Total Reserve Fund Balances	130,835
BOND FUNDED DEBT SERVICE RESERVES	
Series A Debt Service Reserve Fund (2)	
Series B Debt Service Reserve Fund (2)	-
Total Bond Funded DSR	-
TOTAL RESERVE FUND BALANCE	130,835
PRINCIPAL BALANCES	
Series A	-
Series B	-
Series C	0
Total Principal Balance	0

(1) NOI projections provided by HVS International. NOI available for debt service equals net operating plus Gibson's incentive fee. 2007 NOI represents 9 months of operations (April 1, 2007 opening date).

EXHIBIT D

(Project Budget)

Sources and Uses of Funds -
April 4, 2005
For Discussion Purposes Only
Lombard Conference Center and Hotel
(Dollars in Thousands)

Sources of Funds	Total	Series A-1 Bonds	Series A-2 Bonds	Series B Guaranteed Bonds	Series C Manager/ Developer Bonds
Par Amount of Bonds	$ 183,925	$ 63,065	$ 54,000	$ 44,745	$ 22,115
Reoffering Premium	$ 3,627	$ -	$ 2,832	$ 795	$ -
Interest Earnings on Project Construction Fund	$ 3,149	$ 1,007	$ 788	$ 864	$ 490
Hotel Operator Key Money Contribution	$ 3,000	$ -	$ -	$ -	$ 3,000
Accrued Interest from 04/01/2005 to 04/14/2005	$ 363	$ 165	$ 115	$ 82	$ -
TOTAL SOURCES OF FUNDS	**$ 194,064**	**$ 64,237**	**$ 57,735**	**$ 46,487**	**$ 25,605**
Uses of Funds					
Deposit to Project Construction Fund	$ 128,912	$ 40,076	$ 32,684	$ 35,831	$ 20,320
Deposit to Capitalized Interest (CIF) Fund	$ 28,102	$ 12,082	$ 8,396	$ 5,959	$ 1,665
Debt Service Reserve Fund	$ 13,039	$ 5,552	$ 4,233	$ 3,255	
Gross Bond Insurance Premium	$ 10,205	$ -	$ 10,205	$ -	$ -
Pre-Opening Expenses	$ 3,500	$ 3,500	$ -	$ -	$ -
Costs of Issuance	$ 5,686	$ 1,780	$ 2,024	$ 1,263	$ 618
Operating Capital	$ 3,000	$ -	$ -	$ -	$ 3,000
Corporation Construction Period Expenses	$ 1,000	$ 1,000	$ -	$ -	$ -
Deposit to Debt Service Fund	$ 363	$ 165	$ 115	$ 82	$ -
Surety Premium (Standby Loan)	$ 250	$ 80	$ 80	$ 90	$ -
Rounding Amount	$ 6	$ 1	$ (3)	$ 7	$ 1
TOTAL USES OF FUNDS	**$ 194,064**	**$ 64,237**	**$ 57,735**	**$ 46,487**	**$ 25,605**
Dated Date		4/1/05	4/1/05	4/1/05	4/1/05
True Interest Cost	7.170%	7.431%	5.693%	5.159%	12.000%
All-In-Cost	7.740%	7.510%	7.488%	5.222%	12.070%
Average Life	23.672 Years	23.467 Years	23.567 Years	23.907 Years	24.193 Years

Interest is capitalized for 12 months after the hotel opening.
The total project budget is $128,911,679.
The first construction draw occurs on 4/14/05.

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INTER OFFICE MEMORANDUM

To: **Thomas P. Bayer, Village Attorney**
From: **Lance C. Malina**
Allen Wall
Re: **Settlement Conference: Village of Lombard 213B Special Assessment**
Date: **April 4, 2005**

On March 31, 2005, we and the objectors met with Judge Duncan at his suggestion in an attempt to settle the 213B Special Assessment matter. The matter could not be resolved within the authority given by the Village and the case was continued until April 20, 2005, to give the parties further opportunity to reach an agreement. Below is a summary of the positions of the parties going into the settlement meeting, the offers made during the conference, and the objectors' position at the conclusion of the meeting.

I. <u>Special Assessment</u>

The tax assessments for the objectors' property affected by the improvement totaled in the aggregate **$36, 562.** The objectors proposed reducing the aggregate assessment by **50%, or down to $18,281**, and offered to accelerate payment of this amount to the Village.

The Village was willing to reduce the assessment on the objectors' properties by up to **20%.** When considered with regard to the aggregate amount of the objectors, a 20% reduction results in an aggregate amount of **$29,250.**

At the settlement conference, the best that Judge Duncan was able to accomplish with the objectors was that they now request a **25% reduction** in the aggregate assessed amount for the objectors. This would result in an aggregate total assessment for the objectors of **$27,422** or a difference of **$1,828** between the 20% previously authorized and the 25% reduction now requested by the objectors.

II. <u>**Blazejak Condemnation**</u>

The appraiser for the Blazejks agreed with the Village's offer of **$29,700** for the part taken as right of way. However, the Blazejaks' appraiser estimated damage to the remainder as a result of the taking in the amount of **$34, 530**. This figure is justified simply as the value of a negative aesthetic affect on the property due to the taking. The appraiser's letter that serves as his report provides no other basis for the damages estimate. The total compensation proposed by the Blazejaks for the taking was therefore **$64,230.**

When we sought our appraiser's (Dale Kleszynski) input, he stated that appraised damage to the remainder could be justified at **$10,000,** based on the assumption that a portion of the existing trees are not located within the dedicated right of way.

The Village was willing to go as high as a **20%** increase on its offer of **$29,700.** This would lead to a compensation offer of **$35,640.**

The Blazejaks' offer at the conclusion of the settlement conference, and as a result of the efforts of Judge Duncan, was **$45,000** which is **$9,360** higher than the maximum that the Village wished to pay.

Thus, the difference between the parties at this point is a total of **$11,188.** We told Judge Duncan that we would bring the status of the objectors' revised settlement demands to the Village's attention and get direction from the Board.

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