

**MEMORANDUM**

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**SENT VIA E-MAIL**

**TO: William T. Lichter, Village Manager**  
**FROM: Donald E. Renner III, LPFC Attorney**  
**DATE: April 27, 2005**  
**RE: Amendment to LPFC By-Laws**

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Attached you will find a copy of the amended By-Laws of the Lombard Public Facilities Corporation (the "LPFC") as well as the Village of Lombard (the "Village") ordinance approving the amended By-Laws of the LPFC.

As the LPFC has the authority to sell the Hotel and Convention Facility to a party other than the Village, it is advisable to add the language in Article X of the LPFC By-Laws. Article X provides that the LPFC may not sell the Hotel and Convention Facility to a third party without the prior consent of the President and Board of Trustees of the Village. In addition, if the LPFC does sell the Hotel and Convention Facility to a third party, the Village may demand that title and rights to purchase the Hotel and Convention Facility first be conveyed and assigned to the Village.

The purpose of granting the Village this authority over the LPFC is to further bolster our position that the Village is acting under color of law in constructing and acquiring a convention hall. The LPFC is to transfer title to the Hotel and Convention Facility upon the earlier of the redemption or retirement of the bonds. However, if the LPFC were to sell the Hotel and Convention Facility to a third party without the consent of the Village and without first conveying title to the Village, the Village would never hold a property interest in the Hotel and Convention Facility. The amendment ensures that the Village will retain the right to take title to the Hotel and Convention Facility. Further, the amendment provides additional support to the argument that the LPFC is an agency or instrumentality of the Village, as the Village is given additional control over the actions of the LPFC.

cc: Len Flood  
Jim Shanahan  
Peter Phillippi  
Tom Bayer  
(all via e-mail)