LEGISTAR # 260254

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: Scott Niehaus, Village Manager

DATE: July 8, 2026 (COW)(B of T) July 16, 2026

TITLE: **A Resolution Authorizing And Approving The Execution And Delivery Of Certain Documents In Connection With An Interest Rate Reset For The Village Of Lombard, Illinois Revenue Refunding Bond (National University Of Health Sciences Project), Series 2016; And Related Matters.**

SUBMITTED BY: Timothy Sexton, Director of Finance

BACKGROUND/POLICY IMPLICATIONS:

The Finance Department transmits for your consideration a resolution authorizing an interest rate reset on Industrial Revenue Bonds for the National University of Health Sciences (NUHS). The Village initially worked with NUHS on the issuance of the original bonds back in 2016. Attached is the draft resolution (there may be minor legal changes before the meeting). The current request is just to reset the interest rate on the bonds, after the initial 10 year term of the bonds. The agreement does not financially obligate the Village in any way, or have any impact on the Village's credit rating.

Staff recommends that the Village board authorize the Village President and Village Clerk to sign the resolution and for those same individuals as well as the Village Manager and Finance Director to sign all other necessary documents to provide for the completion of the transaction.

Review (as necessary):
Village Attorney X______________________ Date ____________
Finance Director X______________________ Date ____________
Village Manager X______________________ Date ____________

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

To: Nicole Aranas
Village Manager

From: Timothy Sexton
Director of Finance

Date: July 8, 2026

Subject: Industrial Revenue Bonds Interest Rate Reset for the National University of Health Sciences

In 2016, the Village worked with The National University of Health Sciences' (NUHS) on the issuance of $5.6 million industrial revenue bonds (IRB's) for the purpose of refinancing their 2006 issue of IRB's that the Village assisted them with.

The current request is to reset the interest rate on the bonds, after the initial 10 year term of the bonds. The agreement does not financially obligate the Village in any way, or have any impact on the Village's credit rating.

National University of Health Sciences is a not-for-profit institution accredited to offer health science education in health care professions such as chiropractic, massage therapy, biomedical science and more.

Approval of the interest rate reset requires Village Board approval of a resolution. Staff recommends that the Village board authorize the Village President and Village Clerk to sign the attached resolution and for those same individuals as well as the Village Manager and Finance Director to sign all other necessary documents to provide for the completion of the transaction.

Should you or any member of the Board of Trustees have any questions regarding this matter, please do not hesitate to contact me at 620-5902.

RESOLUTION No. 2026-__________

A RESOLUTION AUTHORIZING AND APPROVING THE EXECUTION AND DELIVERY OF CERTAIN DOCUMENTS IN CONNECTION WITH AN INTEREST RATE RESET FOR THE VILLAGE OF LOMBARD, ILLINOIS REVENUE REFUNDING BOND (NATIONAL UNIVERSITY OF HEALTH SCIENCES PROJECT), SERIES 2016; AND RELATED MATTERS.

WHEREAS, the Village of Lombard, Illinois (the "Issuer") is authorized by The Industrial Project Revenue Bond Act, 65 Illinois Compiled Statutes 5/11-74-1 *et seq.* (the "Act") to provide financing and refinancing for certain "projects" (as defined in the Act); and

WHEREAS, the Issuer has previously issued its Village of Lombard, Illinois Revenue Refunding Bond (National University of Health Sciences Project), Series 2016 (the "Series 2016 Bond"), pursuant to a resolution approved by the Village President and Board of Trustees of the Issuer (the "Board of Trustees") on June 16, 2016 (the "Bond Resolution") and a Bond and Loan Agreement dated as of August 1, 2016 (the "Bond and Loan Agreement"), among the Issuer, National University of Health Sciences, an Illinois not for profit corporation (the "Borrower"), and Wheaton Bank & Trust Company, N.A. (formerly known as Wheaton Bank & Trust Company), as the original purchaser of the Series 2016 Bond (the "Bank"); and

WHEREAS, pursuant to the Bond and Loan Agreement, the proceeds of the Series 2016 Bond were loaned to the Borrower and used to refund prior bonds issued by the Issuer for the benefit of the Borrower; and

WHEREAS, the Series 2016 Bond was purchased, and is currently held, by the Bank; and

WHEREAS, the Series 2016 Bond is currently accruing interest at the Bank Purchase Rate for the Initial Interest Period (as each term is defined in the Bond and Loan Agreement) ending on July 31, 2026, and is subject to mandatory purchase on August 1, 2026 (the "Initial Purchase Date"); and

WHEREAS, in accordance with Section 3.3(c) of the Bond and Loan Agreement, the Bank has agreed to retain the Series 2016 Bond for a subsequent Interest Period (as defined in the Bond and Loan Agreement), which shall begin on the Initial Purchase Date (the "New Interest Period"); and

WHEREAS, in accordance with Section 3.3(a) of the Bond and Loan Agreement, the Bank, the Borrower and the Issuer may designate a different payment schedule for the Series 2016 Bond upon the delivery of a replacement Schedule I to the Bond and Loan Agreement (a "Replacement Amortization Schedule"), together with an Opinion of Bond Counsel to the effect that such action will not adversely affect the exclusion of interest on the Bond from gross income for federal income tax purposes (a "Favorable Opinion of Bond Counsel"); and

WHEREAS, in accordance with Section 3.3(c) of the Bond and Loan Agreement, on or before noon, Chicago time, on the Initial Purchase Date, the Bank shall set the new interest rate for the Series 2016 Bond and a subsequent Purchase Date (as defined in the Bond and Loan

Agreement), together with adjusted definitions of "Applicable Factor" and "Applicable Margin," all of which shall become effective upon the delivery of a Favorable Opinion of Bond Counsel (the "Interest Rate Reset"); and

WHEREAS, Bond Counsel has determined that the Interest Rate Reset will cause a deemed tax reissuance of the Series 2016 Bond, and will prepare a tax certificate, an IRS Form 8038, and other tax documents that may be required in connection therewith, along with any related documents necessary or appropriate in connection with the Interest Rate Reset (together with the Replacement Amortization Schedule, such documents are collectively referred to herein as the "Rate Reset Documents"); and

WHEREAS, Section 5 of the Bond Resolution authorizes and directs the Board of Trustees, members, officers, agents and employees of the Issuer to execute and deliver such further documents as may be necessary or appropriate to carry out the purposes of the Bond Resolution, the Bond and Loan Agreement and Arbitrage and Tax Certificates (as defined therein), which authorization encompasses the Rate Reset Documents, but given the passage of time, the Board of Trustees has determined to reauthorize the execution and delivery of the Rate Reset Documents;

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

Section 1. Recitals. The foregoing recitals are incorporated in and made a part of this Resolution by this reference.

Section 2. Rate Reset Documents. The Issuer does hereby authorize and approve the execution (by manual or facsimile signature) and delivery of the Rate Reset Documents by its Village President, its Village Clerk, its Finance Director or their duly authorized designees, in such forms as the officer executing the same shall approve, upon consultation with the Village Attorney, such officer's execution to constitute conclusive evidence of such approval; provided, however, that the effectiveness of the Interest Rate Reset shall be conditioned upon delivery of the Favorable Opinion of Bond Counsel as provided in the Bond and Loan Agreement.

Section 3. Limited Obligation; Payment of Costs. The Series 2016 Bond is and shall remain a limited obligation of the Issuer, payable solely from the payments made by the Borrower pursuant to the Bond and Loan Agreement. The Series 2016 Bond does not and shall not constitute an indebtedness of the Issuer or a loan of credit thereof within the meaning of any constitutional or statutory provision, and neither the full faith and credit nor the taxing power of the Issuer is pledged to the payment of the principal of, premium, if any, or interest on the Series 2016 Bond. The Series 2016 Bond, the Interest Rate Reset and the Rate Reset Documents shall not create, and shall not be construed as creating, any moral obligation, commitment or expectation on the part of the Issuer to appropriate or make available any funds of the Issuer for the payment of the Series 2016 Bond or any obligation of the Borrower. The Borrower shall pay, or reimburse the Issuer for, all costs and expenses incurred by the Issuer in connection with the Interest Rate Reset and the Rate Reset Documents, including the fees and expenses of the Village Attorney.

Section 4. Authorization and Ratification of Subsequent Acts. The Board of Trustees, members, officers, agents and employees of the Issuer are hereby authorized and directed to do all such acts and things and to execute or accept all such documents as may be necessary to carry out and comply with the provisions of this Resolution and the execution, delivery and performance of the Rate Reset Documents.

Section 5. **Severability.** The provisions of this Resolution are hereby declared to be separable, and if any section, phrase or provision hereof shall for any reason be declared to be invalid, such declaration shall not affect the validity of the remainder of the sections, phrases and provisions of this Resolution.

Section 6. **Conflicts.** All resolutions and orders, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict.

Section 7. **Effectiveness.** This Resolution shall be in full force and effect immediately upon its passage, as by law provided.

Section 8. **Continued Effectiveness of the Bond Resolution**. This Resolution shall be and is intended to be in all cases a ratification of the authority granted under the Bond Resolution. Notwithstanding anything set forth herein, the Bond Resolution shall remain in full force and effect.

Passed this 16th day of July, 2026, pursuant to a roll call vote as follows:

Ayes:

Nays:

Abstain:

Absent:

APPROVED THIS 16TH DAY OF JULY, 2026

By__________________________
Village President

(SEAL)

ATTEST:

____
Village Clerk