

VILLAGE OF DOWNERS GROVE
REPORT FOR THE VILLAGE COUNCIL MEETING
APRIL 20, 2010 AGENDA

SUBJECT:	TYPE:	SUBMITTED BY:
Bond Issuance for Midwestern University	<input checked="" type="checkbox"/> Resolution <input type="checkbox"/> Ordinance <input type="checkbox"/> Motion <input type="checkbox"/> Discussion Only	Dave Fieldman Village Manager

SYNOPSIS

A resolution has been prepared to approve the issuance of Series 2010 bonds for Midwestern University in the aggregate principal amount not to exceed \$50,000,000. The bonds are being issued by the Industrial Development Authority of the City of Glendale, Arizona.

STRATEGIC PLAN ALIGNMENT

The Five Year Plan and Goals identified *Exceptional Services and Communication*.

FISCAL IMPACT

N/A.

UPDATE & RECOMMENDATION

A public hearing for this item was held during the April 13, 2010 meeting. Approval of the proposed resolution would authorize the issuance of Series 2010 bonds for Midwestern University in the aggregate principal amount not to exceed \$50,000,000. The bonds are being issued by the Industrial Development Authority of the City of Glendale, Arizona.

BACKGROUND

A resolution has been prepared to approve the issuance by Industrial Development Authority of the City of Glendale, Arizona of its Industrial Development Authority of the City of Glendale, Arizona Revenue Bonds, Midwestern University, Series 2010, in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities of the University located in the Village of Downers Grove. Notice of this hearing was published in the Downers Grove Reporter on March 24, 2010.

Arizona law permits the issuance of certain bonds to be used outside of the State of Arizona. Prior to the issuance of the bonds, the municipality within which the bonds would be used must hold a public hearing and approve a resolution acknowledging the issuance of the bonds. The public hearing was held on April 13, 2010.

ATTACHMENTS

Agreement

VILLAGE OF DOWNERS GROVE
COUNCIL ACTION SUMMARY

INITIATED: Midwestern University **DATE:** April 20, 2010
(Name)

RECOMMENDATION FROM: _____ **FILE REF:** _____
(Board or Department)

NATURE OF ACTION:

- Ordinance
- Resolution
- Motion
- Other

STEPS NEEDED TO IMPLEMENT ACTION:

Motion to Adopt “A RESOLUTION APPROVING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GLENDALE, ARIZONA OF ITS REVENUE BONDS, MIDWESTERN UNIVERSITY, SERIES 2010, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 WITH RESPECT TO FACILITIES OF MIDWESTERN UNIVERSITY LOCATED IN THE VILLAGE OF DOWNERS GROVE, DUPAGE COUNTY, ILLINOIS; AND APPROVING CERTAIN RELATED MATTERS”, as presented.

SUMMARY OF ITEM:

Adoption of the attached resolution shall authorize the issuance of bonds for Midwestern University in the aggregate principal amount not to exceed \$50,000,000, Series 2010.

RECORD OF ACTION TAKEN:

SECOND DRAFT DATED: April 7, 2010

EXTRACT OF MINUTES of a regular public meeting of the Council of the Village of Downers Grove, DuPage County, Illinois, held at the Village Hall, 801 Burlington Avenue, in said Village, at 7:00 p.m., on the 20th day of April, 2010.

The Mayor called the meeting to order and directed the Village Clerk to call the roll.

Upon the roll being called, the Mayor and the following Commissioners answered physically present at said location: _____

The following Commissioners were allowed by a majority of the Council in accordance with and to the extent allowed by rules adopted by the Council to attend the meeting by video or audio conference: _____

No Commissioner was not permitted to attend the meeting by video or audio conference.

The following Commissioners were absent and did not participate in the meeting in any manner or to any extent whatsoever: _____

* * *
(Other Business)

The Mayor then announced that the next agenda item for the Council (the "*Council*") of the Village of Downers Grove, DuPage County, Illinois (the "*Village*"), was a request by Midwestern University, an Illinois not-for-profit corporation (the "*University*"), that the Village approve the proposed issuance by the Industrial Development Authority of the City of Glendale, Arizona (the "*Issuer*") of its Industrial Development Authority of the City of Glendale, Arizona Revenue Bonds, Midwestern University, Series 2010, in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities of the University located in the Village (the

“*Bonds*”), the proceeds of which Bonds are to be loaned to the University in order to provide the University with all or a portion of the funds necessary to (a) pay all of the principal of and interest due on the outstanding Industrial Development Authority of the City of Glendale, Arizona Commercial Paper Revenue Notes (Midwestern University Financing Program), (b) finance, refinance or reimburse the University for certain of the costs of the acquisition (including related land costs), improvement, construction and equipping (including, but not limited to, medical equipment, computer equipment, office equipment and general building equipment and fixtures) of certain educational facilities owned by the University in the Village, (c) fund a debt service reserve fund for the benefit of the Bonds, if deemed desirable by the University, and (d) pay certain costs incurred in connection with the issuance of the Bonds and the credit enhancement thereof, if any.

The Council further discussed a resolution approving the issuance of the Bonds.

Thereupon, Commissioner_____ presented the following resolution:

RESOLUTION NUMBER _____

A RESOLUTION APPROVING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GLENDALE, ARIZONA OF ITS REVENUE BONDS, MIDWESTERN UNIVERSITY, SERIES 2010, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 WITH RESPECT TO FACILITIES OF MIDWESTERN UNIVERSITY LOCATED IN THE VILLAGE OF DOWNERS GROVE, DUPAGE COUNTY, ILLINOIS; AND APPROVING CERTAIN RELATED MATTERS.

WHEREAS, the Industrial Development Authority of the City of Glendale, Arizona (the “*Issuer*”), is authorized under the Industrial Development Financing Act, Title 35, Chapter 5, Arizona Revised Statutes, as amended and supplemented (the “*Act*”), to issue its revenue bonds to provide financing and refinancing for the costs of any “project” (as defined in the Act) and to lend the proceeds to corporations in furtherance of the purposes of the Act; and

WHEREAS, the Issuer is authorized to finance and refinance the costs of “projects” located outside the State of Arizona provided that the Board of Directors of the Issuer has determined that the exercise of such powers will provide a benefit within the State of Arizona; and

WHEREAS, the Issuer has made such a determination with respect to the portion of such projects which are located outside of the State of Arizona and in the Village of Downers Grove, DuPage County, Illinois (the “*Village*”); and

WHEREAS, the Issuer has heretofore issued its The Industrial Development Authority of the City of Glendale, Arizona Commercial Paper Revenue Notes (Midwestern University Financing Program) (the “*CP Notes*”), in the original aggregate principal amount of \$68,800,000, all of which are outstanding on the date hereof, the proceeds of which were used, together with certain other funds, to finance, refinance or reimburse Midwestern University, an Illinois not-for-profit corporation (the “*University*”), for the costs of the acquisition (including related land costs), construction, improvement and equipping (including, but not limited to, medical equipment, computer equipment, office equipment and general building equipment and fixtures) of certain educational facilities of the University on its Downers Grove, Illinois and Glendale, Arizona campuses; and

WHEREAS, the University desires to (i) pay all of the principal of and interest due on the outstanding CP Notes, (ii) finance, refinance or reimburse the University for the costs of the acquisition, construction, improvement and equipping of certain educational facilities of the University on its Glendale, Arizona campus, (iii) finance, refinance or reimburse the University for the costs of the acquisition (including related land costs), construction, improvement and equipping (including, but not limited to, medical equipment, computer equipment, office equipment and general building equipment and fixtures) of certain educational facilities of the University on its campus located in the Village, (iv) establish a debt service reserve fund for the

benefit of the Bonds (as hereinafter defined), if deemed desirable by the University, and (v) pay certain costs relating to the issuance of the Bonds, if deemed desirable by the University; and

WHEREAS, the Issuer, at the request of the University, is expected to issue its Industrial Development Authority of the City of Glendale, Arizona Revenue Bonds, Midwestern University, Series 2010, in an aggregate principal amount not to exceed \$50,000,000 with respect to facilities of the University located in the Village (the “*Bonds*”); and

WHEREAS, the educational facilities being financed, refinanced or reimbursed in the Village are or will be owned or operated by the University, are or will be located on land owned by the University at its Downers Grove, Illinois Campus located at 555 31st Street, Downers Grove, Illinois, and including, but not limited to, the Chicago College of Osteopathic Medicine, the College of Health Sciences and the Chicago College of Pharmacy (the “*Downers Grove Campus*”); and

WHEREAS, the educational facilities on the Downers Grove Campus to be so financed, refinanced or reimbursed consist of various demolition, construction, renovation and equipping projects throughout the campus, including, without limitation, (a) projects relating to the basic science building, the student wellness and recreation center, the administration center, the central plant and the commons addition, and (b) miscellaneous land improvements; and

WHEREAS, because a portion of the proceeds of the Bonds will be used to finance and refinance certain of the University’s educational facilities located within the boundaries of the Village, Section 147(f) of the Internal Revenue Code of 1986, as amended (the “*Code*”), requires the approval of the issuance of the Bonds with respect to facilities of the University located in the Village by the Council as the “applicable elected representative” under Section 147(f) of the Code, after a public hearing following reasonable public notice; and

WHEREAS, the Village Clerk has caused a notice of public hearing with respect to the plan to approve the issuance of the Bonds to be published in *The Downers Grove Reporter*, a newspaper of general circulation in the Village, pursuant to Section 147(f) of the Code on March 24, 2010, and the Council conducted said public hearing at its meeting on April 13, 2010; and

WHEREAS, attached hereto as *Exhibit A* is a copy of the publisher’s affidavit evidencing publication of the notice of public hearing held by the Council on April 13, 2010;

NOW, THEREFORE, Be It Resolved by the Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

Section 1. The issuance by the Issuer of the foregoing Bonds in the aggregate principal amount not to exceed \$50,000,000 with respect to facilities of the University located in the Village, for the purposes set forth above, is hereby approved.

Section 2. The Bonds shall never constitute an indebtedness or a loan of credit of the Village, the State of Illinois or any political subdivision thereof, within the purview of any constitutional or statutory limitation or provision, or a charge against the general credit or the

taxing powers, if any, of any of them. No owner of the Bonds shall have the right to compel any exercise of the taxing power of the Village, the State of Illinois or any other political subdivision thereof to pay the Bonds or the interest or premium, if any, thereon.

Section 3. The approval given herein shall be solely for the purpose of satisfying the requirements of Section 147(f) of the Code.

Section 4. All acts of the Council and the officers, officials, agents and employees of the Village that are in conformity with the intent and purposes of this Resolution, whether heretofore or hereafter taken or done, be, and the same are hereby, in all respects, ratified, confirmed and approved.

Section 5. All ordinances, resolutions, or parts thereof, in conflict herewith are hereby superseded to the extent of such conflict

Section 6. This Resolution shall be in full force and effect immediately upon its passage and approval.

AYES: _____

NAYS: _____

ABSENT OR NOT VOTING: _____

ADOPTED: April 20, 2010

APPROVED: April 20, 2010

Mayor, Village of Downers Grove, DuPage
County, Illinois

ATTEST:

Village Clerk, Village of Downers Grove,
DuPage County, Illinois

Commissioner _____ moved and Commissioner _____ seconded the motion that said resolution as presented be adopted.

After a full discussion thereof, the Mayor directed that the roll be called for a vote upon the motion to adopt the resolution.

Upon the roll being called, the following Commissioners voted "AYE": _____; the following Commissioners voted "NAY": _____; and the following Commissioners were absent or not voting: _____.

Whereupon the Mayor declared the motion carried and the resolution adopted, and henceforth did approve and sign the same in open meeting, and did direct the Village Clerk to record the same in full in the records of the Council of the Village of Downers Grove, DuPage County, Illinois, which was done.

* * *
(Other Business)

Upon motion duly made and seconded, the meeting adjourned.

Village Clerk

[SEAL]

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

CERTIFICATION OF AGENDA, MINUTES AND RESOLUTION

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Downers Grove, DuPage County, Illinois (the “*Village*”), and as such official I am the keeper of the official journal of proceedings, books, records, minutes and files of the Village and the Council of the Village (the “*Council*”).

I do further certify that the foregoing is a full, true and complete transcript of that portion of the minutes of the meeting of the Council held on the 20th day of April, 2010, insofar as the same relates to the adoption of Resolution Number _____ entitled:

A RESOLUTION APPROVING THE ISSUANCE BY THE INDUSTRIAL DEVELOPMENT AUTHORITY OF THE CITY OF GLENDALE, ARIZONA OF ITS REVENUE BONDS, MIDWESTERN UNIVERSITY, SERIES 2010, IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED \$50,000,000 WITH RESPECT TO FACILITIES OF MIDWESTERN UNIVERSITY LOCATED IN THE VILLAGE OF DOWNERS GROVE, DUPAGE COUNTY, ILLINOIS; AND APPROVING CERTAIN RELATED MATTERS.

a true, correct and complete copy of which said resolution as adopted at said meeting appears in the foregoing transcript of the minutes of said meeting.

I do further certify that the deliberations of the Council on the adoption of said resolution were taken openly; that the vote on the adoption of said resolution was taken openly; that said meeting was held at a specified time and place convenient to the public; that notice of said meeting was duly given to all newspapers, radio and television stations and other news media requesting such notice on a day which was not a Saturday, Sunday or legal holiday for Illinois municipalities and not less than 48 hours prior to such meeting; that the agenda for said meeting was posted at the principal office of the Council and at the location where said meeting was held at least 48 hours in advance of the holding of said meeting; that said agenda described or made specific reference to said resolution; that a true, correct and complete copy of said agenda as so posted is attached hereto; that said meeting was called and held in strict compliance with the provisions of the Open Meetings Act of the State of Illinois, as amended, and the Illinois Municipal Code, as amended; and that the Council complied with all of the provisions of said Act and said Code and with all of the procedural rules of the Council in the conduct of said meeting.

IN WITNESS WHEREOF, I hereunto affix my official signature and the seal of the Village
this 20th day of April, 2010.

Village Clerk

[SEAL]

[VILLAGE CLERK TO ATTACH AGENDA]

STATE OF ILLINOIS)
) SS
COUNTY OF DUPAGE)

VIDEO/AUDIO ATTENDANCE CERTIFICATE

I, the undersigned, do hereby certify that I am the duly qualified and acting Village Clerk of the Village of Downers Grove, DuPage County, Illinois (the “*Village*”), and as such official I do further certify as follows:

1. That at the meeting of the Council of the Village (the “*Council*”) on the 20th day of April, 2010 (the “*Meeting*”), _____ attended the Meeting by video or audio conference.

2. That said member(s) of the Council was/were prevented from physically attending the Meeting because of the reason(s) as follows:

MEMBER

REASON¹

3. That said member(s) of the Council notified me before the Meeting that he/she/they wished to attend the Meeting by video or audio conference.

4. That attached hereto as *Exhibit 1* is a true, correct and complete copy of the rules adopted by the Council for allowing a member of the Council to attend a meeting of the Council by video or audio conference.

5. That the Meeting was duly called, noticed and held in strict compliance with all of the provisions of the Open Meetings Act of the State of Illinois, as amended, except as said Act

¹ Section 7 of the Open Meetings Act of the State of Illinois, as amended, provides the following three reasons a person may be prevented from physically attending a meeting: (i) personal illness or disability; (ii) employment purposes or the business of the public body; or (iii) a family or other emergency.

may be superseded by the home rule powers of the Village, and the ordinances, resolutions, rules, regulations and proceedings of the Council.

IN WITNESS WHEREOF I have affixed hereto my official signature and the seal of the Village this 20th day of April, 2010.

Village Clerk

[SEAL]