

**VILLAGE OF VERNON HILLS
RESOLUTION NO. 2018-005**

**A RESOLUTION OF THE VILLAGE OF VERNON HILLS, ILLINOIS REALLOCATING
2018 VOLUME CAP TO THE VILLAGE OF BUFFALO GROVE, ILLINOIS**

WHEREAS, the Village of Vernon Hills, County of Lake, State of Illinois (*“the Village”*) is a duly organized and existing municipality and unit of local government created under the provisions of the laws of the State of Illinois, and is operating under the provisions of the Illinois Municipal Code; and

WHEREAS, certain tax exempt private activity bonds may be issued only if sufficient volume cap pursuant to Section 146 of the Internal Revenue Code of 1986, as amended (*the “Code”*), is available for the bonds; and

WHEREAS, pursuant to the Code, the Village has been allocated volume cap equal to \$105 per resident of the Village in calendar year 2018, or \$2,636,865, for the issuance of such tax exempt private activity bonds; and

WHEREAS, pursuant to Section 6 and Section 6.1 of the Illinois Private Activity Bond Allocation Act, 30 ILCS 345/1 et seq. (*the “Bond Allocation Act”*), and the Guidelines and Procedures promulgated thereunder, the Village may, prior to May 1, 2018, reallocate to other home rule units of government the volume cap allocated to the Village by the Code for their issuance of such tax exempt private activity bonds or for subsequent transfer or reallocation; and

WHEREAS, the Village has not used any of its 2018 volume cap and has no present intention to use the same; and

WHEREAS, the Lake County Partnership for Economic Development, Inc. has offered Lake County home rule communities the opportunity to participate in a program to combine their respective volume cap allocations and create a Private Activity Bond Clearinghouse Pool (*the “Pool”*) to facilitate the issuance of tax-exempt private activity bonds to finance manufacturing and multi-family housing commercial projects in Lake County, Illinois, for economic development purposes (*“Eligible Projects”*); and

WHEREAS, the Village of Buffalo Grove, a home rule unit of government (*“Buffalo Grove”*), pursuant to its Resolution No. 2001-51 adopted December 17, 2001, agreed to host the Pool and to reserve its own volume cap, and accept volume cap reallocated to Buffalo Grove by other home rule units of government, for the issuance of tax-exempt private activity bonds placed through the Pool to finance Eligible Projects; and

WHEREAS, Buffalo Grove has requested that the Village reallocate all of its 2018 volume cap to Buffalo Grove to be used for the issuance of tax-exempt private activity bonds placed through the Pool to finance Eligible Projects;

NOW THEREFORE BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS, as follows:

SECTION 1: RECITALS. The foregoing recitals are incorporated in and made a part of this Resolution by this reference as findings of the Village of Vernon Hills.

SECTION 2: TRANSFER AND REALLOCATION OF 2018 VOLUME CAP. Pursuant to Section 6 and Section 6.1 of the Bond Allocation Act and the Guidelines and Procedures promulgated thereunder, the Village irrevocably agrees to, and does hereby, transfer and reallocate all of its 2018 volume cap to Buffalo Grove to be used for the issuance of tax-exempt private activity bonds placed through the Pool to finance Eligible Projects as directed by the Advisory Committee created pursuant to Buffalo Grove Resolution No. 2001-51.

SECTION 3: AGREEMENT. This Resolution shall constitute the agreement of the Village of Vernon Hills to a different allocation under Section 146(e) (3) of the Code and the writing required under Section 6 of the Bond Allocation Act.

SECTION 4: WARRANTY. The Village covenants and warrants that it has taken no action or issued bonds that would abrogate, diminish, or impair its ability to fulfill the written agreement, covenants, and undertakings on its part under this Resolution.

SECTION 5: AUTHORIZATION. As required by the Bond Allocation Act and the Guidelines and Procedures promulgated thereunder, a certified copy of this Resolution shall be transmitted to the Office of the Governor of the State of Illinois. Any and all appropriate and proper officers, officials, agents, and employees of the Village are hereby authorized, empowered, and directed to take all necessary and advisable actions, and to execute all such documents and certificates, as may be necessary to further the purposes and intent of this Resolution.

SECTION 6: MAINTAIN RECORD. The Village shall maintain a written record of this Resolution in its records for so long as the bonds to which the volume cap transferred by this Resolution is reallocated remain outstanding.

SECTION 7: RESOLUTION NUMBER: This Resolution shall be known as Resolution Number 2018-005.

Dated this 6th day of February 2018

Adopted by roll call votes as follows:

AYES: 6 – Koch, Hebda, Marquardt, Oppenheim, Schultz, Takaoka
NAYS: 0 - None
ABSENT AND NOT VOTING: 0 - None



Roger L. Byrne
Village President

PASSED: 2/06/2018
APPROVED: 2/06/2018
ATTEST: 2/07/2018



John M. Kalmar
Village Clerk



DeAnda, Lynn <lynnd@vhills.org>

(i) VILLAGE OF VERNON HILLS; (ii) HOME RULE; (iii) REPORT

2 messages

DeAnda, Lynn <lynnd@vhills.org>

Wed, Feb 14, 2018 at 4:20 PM

To: OMB.VolumeCapRequest2018@illinois.gov

Bcc: Nikki Larson <nikkil@vhills.org>, "Bourdeau, Brian" <brianb@vhills.org>, sespina@lakecountypartners.com

Primary

Name: Nikki Larson

Title: Finance Director

Department/Division: Finance Department

Phone Number: 847-918-3552

Email address: nikkil@vhills.org

Secondary

Name: Brian Bourdeau

Title: Assistant to the Finance Director

Department/Division: Finance Department

Phone Number: 847-918-3554

Email address: brianb@vhills.org

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Lynn DeAnda

Executive Secretary

to the Village Manager

847-918-3546

847-367-0880

 **Resolution 2018-005 Vernon Hills Reallocating 2018 Volume Cap to Buffalo Grove 020618.pdf**
35K

Ronis, Sophia <Sophia.Ronis@illinois.gov>

Wed, Feb 14, 2018 at 4:22 PM

To: "DeAnda, Lynn" <lynnd@vhills.org>

Got it,

Thank you.

Sophia Ronis

GOMB Administrative Assistant and

Administrative Assistant to Hanz Zigmund, GOMB Director

Administrative Assistant to Kelly Hutchinson, Director of Capital Markets

Governor's Office of Management and Budget

James R. Thompson Center

100 W. Randolph - Suite 15-100

Chicago, IL 60601

(312) 814-0023

(312) 814-5104 Fax

Sophia.Ronis@illinois.gov



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From: DeAnda, Lynn [mailto:lynnd@vhills.org]
Sent: Wednesday, February 14, 2018 4:21 PM
To: OMB.VolumeCapRequest2018
Subject: [External] (i) VILLAGE OF VERNON HILLS; (ii) HOME RULE; (iii) REPORT

(Quoted text hidden)



DeAnda, Lynn <lynnd@vhills.org>

Fwd: Private Activity Bond Clearinghouse Updated Link

1 message

Larson, Nikki <nikkl@vhills.org>
To: Lynn DeAnda <lynnd@vhills.org>

Wed, Feb 14, 2018 at 4:00 PM

Nikki Larson, CPA, CPFO
Finance Director
Village of Vernon Hills
290 Evergreen Drive, Vernon Hills, IL 60061-2999
P | 847.918.3552

----- Forwarded message -----

From: **Barbara Prusila** <bprusila@lakecountypartners.com>
Date: Tue, Jan 23, 2018 at 12:15 PM
Subject: Private Activity Bond Clearinghouse Updated Link
To: Barbara Prusila <bprusila@lakecountypartners.com>
Cc: Samantha Espina <sespina@lakecountypartners.com>

Good afternoon,

Please note that the state of Illinois changed the filepath for the Private Activity Bond Clearinghouse guidelines and procedures since I last connected to share the information with you on January 18th. The materials are now accessible at the following link: https://www2.illinois.gov/site/s/capitalmarkets/Documents/Volume%20Cap/2018_Volume_Cap_Guidelines.pdf

As a reminder, your municipality has been allocated a specific amount based upon census population data—the exact dollars are specified in the cover letter which you would have received in my initial email. In passing a resolution similar to the attached example, your community can transfer this amount to the Village of Buffalo Grove (the pool's host home rule community) so that it can be pooled with funds from other municipalities to finance eligible local projects.

We request that you place the attached resolution on your Board's schedule for approval and forward the approved resolution to the attention of the Governor's Office as soon as possible. **Please note that I will be out of the office on maternity leave from February through April. Please copy Samantha Espina at sespina@lakecountypartners.com on your Board's actions and subsequent notification to the Governor's Office, or notify her if your community chooses to NOT participate in this year's pool so that we may more effectively manage the process next year.** Feel free to get in touch with Samantha directly at 847-597-1222 if you have any questions.

Thank you,

Barbara

Barbara C. Prusila

Economic Development Director

One Overlook Point, Suite 280

Lincolnshire, Illinois 60069

847.597.1230 direct | 773.706.0057 cell

www.lakecountypartners.com

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 **A. Sample Municipal Resolution.docx**
15K

INTRODUCTION

The Federal Tax Reform Act of 1986 (the "Code") as amended, imposes a limit on the aggregate amount of "tax exempt private activity" bonds (also known as "Volume Cap") that can be issued by a state. While the Code provides an allocation scheme for specific issuing authorities, it also provides that a state may, by law, provide a different formula for allocating the State ceiling among the governmental units in the State having authority to issue such bonds. The State of Illinois ("the State") has adopted procedures for the allocation of Volume Cap pursuant to the Illinois Private Activity Bond Allocation Act, 30ILCS 345 (the "Illinois Allocation Act").

The Governor's Office is the entity charged with authority to allocate Volume Cap among the political subdivisions within the State. In the event of conflict between the Code and Illinois Allocation Act and these "2017 Guidelines and Procedures" (the "Guidelines"), the Code and the Illinois Allocation Act shall control. Any matters not covered by the Code or the Illinois Allocation Act or the Guidelines shall be decided by the Governor's Office, and the Governor's Office reserves the right to amend the Guidelines at any time.

These Guidelines are provided by the Governor's Office to assist issuers in understanding how the allocation formula will be administered. They do not represent a binding legal interpretation of either the Code or the Illinois Allocation Act. The Governor's Office will not make a legal determination of the applicability of the Code to an issuer nor will it determine an issuer's compliance under the Code. Issuers should consult their own legal counsel to make these determinations.

The Guidelines require certain issuers to submit requests to the Governor's Office for allocations of Volume cap. In addition, they require issuers within the State to report on reallocations and their use of Volume Cap.

PLEASE NOTE – ALL REQUESTS AND REPORTING SUBMISSIONS, AS DESCRIBED HEREIN, MUST BE SUBMITTED IN BOTH (i) HARD AND (ii) ELECTRONIC FORMATS (ADOBE ACROBAT "PDF") TO THE FOLLOWING ADDRESSES:

HARD COPY SUBMISSIONS TO:

Governor's Office of Management and Budget
Debt Management Unit – Volume Cap Submission
JRTC, 100 W Randolph Street – Suite 15-100
Chicago, IL 60601
Attn: Sophia Ronis

2/15/18
mailed 4/21/17
jd

ELECTRONIC (PDF) SUBMISSIONS TO:

OMB.VolumeCapRequest2017@illinois.gov

Please indicate the (i) name, (ii) status of your organization (Home Rule, Non-Home Rule or State Agency) and (iii) type of submission (either a "REPORT" or a "REQUEST") in the "SUBJECT" line of your submission e-mail. Please include the following information for a primary and secondary contact person in the body of each electronic submission (email):

Name
Title
Department/Division
Phone Number
Email address

IMPORTANT NOTE – The time and date stamp of the email will be used for the purpose of determining the order in which the submissions are received unless otherwise noted herein.