



# BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
REGULAR MEETING  
TUESDAY, MAY 14, 2013  
10:38 A.M.**

## **I. Call to Order & Roll Call**

At the regular meeting of the Board of Directors of the Illinois Finance Authority (the “Board”), begun and held at One Prudential Plaza, 130 East Randolph Avenue, Suite 750, Chicago, Illinois 60601, on the second Tuesday of May in the year 2013, pursuant to the provisions of Section 801-25 and Section 801-30 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. of the State of Illinois (the “Act”), William A. Brandt, Jr., Chairman of the Board, called the Board to order and presided over deliberations.

By direction of the Chairman, a roll call will be taken to ascertain the attendance of Members, as follows:  
12 Present.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board will declare that a quorum has been constituted

**ILLINOIS FINANCE AUTHORITY  
BOARD OF DIRECTORS  
BOARD ROLL CALL  
QUORUM ROLL CALL FOR ATTENDANCE**

May 14, 2013

0 YEAS

0 NAYS

12 PRESENT

P	Barclay	P	Knox	P	Poole
P	Bronner (VIA AUDIO CONFERENCE)	E	Leonard	P	Tessler
P	Fuentes	P	O’Brien	P	Zeller (VIA AUDIO CONFERENCE)
P	Goetz	P	Parish	P	Mr. Chairman
E	Gold	P	Pedersen		

E – Denotes Excused Absence

## **II. Chairman's Remarks**

Chairman Brandt welcomed Members of the Board, Authority staff and all guests present.

Chairman Brandt, Chairman, from the Committee of the Whole to which all items of this meeting's agenda were referred, action taken earlier on May 14, 2013, reported the same back and that all items were thoroughly reviewed.

## **III. Adoption of the Minutes**

Minutes of the regular meeting of the Board held on April 9, 2013 and the Financial Statements for the Month Ended April 30, 2013 were taken up for consideration.

Member Pedersen moved for the adoption of the Minutes and the Financial Statements.

Member Poole seconded the motion.

And on that motion, a vote was taken resulting as follows: 12 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes and Financial Statements were adopted.

## **IV. Acceptance of the Financial Statements**

See Agenda Item III.

## **V. Approval of Project Reports and Resolutions**

Chairman Brandt directed Mr. Frampton to present the projects and resolutions to the Board without guests or abstentions.

Mr. Frampton presented each of the following projects and the resolution:

### ***Agriculture Projects***

**Item 1:** Item 1 is a request for Beginning Farmer Revenue Bond financing.

**Derek C. and Jonna V. Lynch** are requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Two Hundred Forty-Nine Thousand One Hundred Dollars** (\$249,100). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 55 acres of farmland located in Salem Township in Edwards County.

Vice Chairman Goetz moved for the adoption of the following project: Item 1.

Member Pedersen seconded the motion.

And on that motion, a vote was taken resulting as follows: 12 Yeas; 0 Nays; 0 Answering Present.

This project, having received the votes of a quorum of the Members of the Board, will be declared passed.

**Item 2:** Item 2 is an Agri-Debt Guarantee Project. The Applicant and Bank are requesting approval of a State Agri-Debt Guarantee. This financing is being presented for one-time consideration.

**Stock Farms, Inc.** (and hereinafter, the “**Borrower**”) is requesting approval of a State Agri-Debt Guarantee in an amount not-to-exceed 85% of a proposed loan of Five Hundred Thousand Dollars (\$500,000). Loan proceeds will refinance and consolidate two existing Peoples Bank & Trust real estate loans in the amounts of Four Hundred Twenty-Seven Thousand Dollars (\$427,000) and Seventy-Three Thousand Dollars (\$73,000). The State of Illinois will guarantee up to **Four Hundred Twenty-Five Thousand Dollars** (\$425,000) or up to **85%** of the face loan amount. This State Agri-Debt Guarantee represents Illinois Agricultural Loan Guarantee Funds held in the State Treasury at risk.

The Borrower is located in Fayette County.

### *Business & Industry Projects*

**Item 3:** Item 3 is a request for Solid Waste Disposal Revenue Bond financing.

**Kuusakoski US LLC** is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Fourteen Million Dollars** (\$14,000,000).

Bond proceeds will be loaned to **Kuusakoski US LLC**, a Delaware limited liability company (and hereinafter, the “**Borrower**”), to be used, together with certain other funds, to (i) finance and reimburse the Borrower for the costs of purchasing a former printing facility located on an approximately 12.25 acre site at 13543 South U.S. Highway 30 in Plainfield, Illinois and converting and rehabilitating the existing facility into a solid waste disposal and recycling facility, including necessary and attendant equipment, site work and other improvements thereto (the “**Project**”); (ii) pay a portion of the capitalized interest on the Bonds, if deemed necessary or advisable by the Borrower; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; and (iv) pay costs of issuance on the Bonds, if deemed necessary or advisable by the Borrower.

**Item 4:** Item 4 is a request for Solid Waste Disposal Revenue Bond financing.

**Construction Recycling of Lake County, Inc. and its affiliates** are requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Six Million Dollars** (\$6,000,000).

Bond proceeds will loaned to **Construction Recycling of Lake County, Inc.**, a privately-held Illinois corporation (“**Construction Recycling**”) and its affiliates (the “**Affiliates**”, and together with Construction Recycling, the “**K. Hoving Companies**” or the “**Borrower**”) and will be used to (i) finance, refinance, and reimburse the Borrower for costs of purchasing land on an approximately 5.47 acre site at 3055 Apple (Ave.) in Waukegan, Illinois and constructing and equipping a construction and demolition solid waste recycling facility thereon, including necessary and attendant equipment, site work and utilities thereto (the “**Project**”); (ii) pay a portion of the capitalized interest on the Bonds, if deemed necessary or advisable by the Borrower; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; and (iv) pay Bond issuance costs (collectively with the Project, the “**Financing Purposes**”).

***Educational, Cultural and Non-Healthcare 501(c)(3) Projects***

**Item 5:** Item 5 is a request for 501(c)(3) Revenue Bond financing. **SOS Children’s Villages Illinois, Inc.** is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Sixteen Million Dollars** (\$16,000,000). This financing is being presented for one-time consideration. Bond proceeds, together with other funds, will be used by **SOS Children’s Village Illinois**, an Illinois not-for-profit corporation (and hereinafter, the “**Borrower**”), to (i) refund all or a portion of the outstanding principal amount of IFA’s Adjustable Rate Demand Revenue Bonds, Series 2009 (SOS Children's Villages Illinois Project) (the “**Prior Bonds**”); (ii) pay the cost of or reimburse the Borrower for the payment of the cost of acquiring, constructing repairing, rehabilitating and equipping certain facilities (the “**Facilities**,”) of the Borrower as identified on Page 6 of the Board Summary Report (collectively, the “**Project**”); (iii) pay a portion of the capitalized interest on the Bonds, if deemed necessary or advisable by the Borrower; (iii) fund one or more debt service reserve funds, if deemed necessary or advisable by the Borrower; and (iv) pay bond issuance costs (the “**Financing Purposes**”).

The proposed Bonds would provide financing or refinancing for SOS Children’s Village facilities located in Chicago and Lockport.

***Healthcare Projects***

**Item 7:** Item 7 is a request for 501(c)(3) Revenue Bond financing. **Riverside Health System** is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Thirty-Five Million Dollars** (\$35,000,000). Bond proceeds will be used by **Riverside Health System** (and hereinafter, “**RHS**”) to (i) pay or reimburse, or refinance certain indebtedness the proceeds of which were used to pay or reimburse, the costs of acquiring, constructing, renovating, remodeling and equipping certain of the Borrowers’ health care facilities (the “**Project**”), (ii) provide for funded interest during construction of the Project, (iii) fund a debt service reserve fund, if deemed necessary or advisable by RHS and (iv) pay certain expenses incurred in connection with the issuance of the Bonds.

***Resolution***

**Item 9:** Resolution Authorizing the Execution and Delivery of a First Supplemental Trust Indenture in Connection with Illinois Finance Authority Student Housing Revenue Bonds Issued on Behalf of CHF-Normal, L.L.C.; and Related Matters

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following projects and resolution: Items 2, 3, 4, 5, 7, and 9.

Leave was granted.

These projects and resolution, having received the votes of a quorum of the Members of the Board, were declared passed.

Chairman Brandt directed Mr. Frampton to present the project to the Board with guests but without abstentions.

Mr. Frampton presented the following project:

*Healthcare Projects*

**Item 8:** Item 8 is a request for 501(c)(3) Revenue Bond financing.

**Peace Memorial Ministries** is requesting approval of a **Preliminary** Bond Resolution in an amount not-to-exceed **Twenty-Five Million Dollars** (\$25,000,000).

Bond proceeds will be used by **Peace Memorial Ministries** (the “**Corporation**” or the “**Borrower**”) to (i) pay or reimburse the Borrower for, or refinance certain indebtedness the proceeds of which were used for, the payment of certain costs of acquiring, constructing, renovating, remodeling and equipping certain “projects” (as such term is defined in the Illinois Finance Authority Act, as amended) for the Borrower’s senior living community, including, but not limited to, budgeted routine capital expenditures; (ii) refund all or a portion of the outstanding principal amount of the \$9,565,000 Illinois Health Facilities Authority Revenue Refunding Bonds, Series 2003A (Peace Memorial Ministries) (the “**Series 2003A Bonds**”); (iii) refund all or a portion of the outstanding principal amount of the \$10,000,000 Illinois Health Facilities Authority Weekly Adjustable Rate Revenue Bonds, Series 2003B (Peace Memorial Ministries) (the “**Series 2003B Bonds**” and, together with the Series 2003A Bonds, the “**Prior Bonds**”); (iv) pay a portion of the interest on the Bonds, if deemed necessary or advisable by the Borrower; (v) establish a debt service reserve fund with respect to the Bonds, if deemed necessary or advisable by the Borrower; (vi) provide working capital to the Borrower, if deemed necessary or advisable by the Borrower; and (vii) pay certain expenses incurred in connection with the issuance of the Bonds and the refunding of the Prior Bonds. Peace Village is located in Palos Park, Illinois in southwest Cook County

Chairman Brandt announced that Mr. Roger Ellens, Chief Financial Officer of Peace Memorial Ministries was present and ready to speak on behalf of the project.

Mr. Ellens thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mr. Ellens.

Chairman Brandt requested leave of the Board to use the last unanimous vote for the adoption of the following project: Item 8.

Leave was granted.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

Chairman Brandt directed Mr. Frampton to present the project to the Board with an abstention but without guests.

Mr. Frampton presented the following project:

*Healthcare Projects*

**Item 6:** Item 6 is a request for 501(c)(3) Revenue Bond financing.

**Rehabilitation Institute of Chicago** is requesting approval of a **Final** Bond Resolution in an amount not-to-exceed **Four Hundred Fifty Million Dollars** (\$450,000,000).

Bond proceeds will be used by **Rehabilitation Institute of Chicago** (and hereinafter, the “**Borrower**”) to (i) pay or reimburse, or refinance certain indebtedness the proceeds of

which were used to pay or reimburse, the costs of acquiring, constructing, renovating, remodeling and equipping certain of the Borrower's health care facilities, including but not limited to the construction and equipping of a 27-floor building which will house a 242-bed replacement rehabilitation hospital occupying 17 floors, a seven-floor parking garage, and three floors of medical office space all located in Chicago (the "**Project**"), (ii) refinance all or a portion the **Illinois Educational Facilities Authority** Commercial Paper Revenue Notes (**Pooled Financing Program**), (iii) refund all or a portion of the **Illinois Finance Authority** Variable Rate Demand Revenue Bonds (**Series 2009A, 2009B and 2009C**), (iv) fund a debt service reserve fund, if deemed necessary or advisable by the Borrower, (v) fund working capital, if deemed necessary or advisable by the Borrower, (vi) pay a portion of the interest accruing on the Bonds, and (vii) pay certain expenses incurred in connection with the issuance of the Bonds.

By direction of the Chairman, a roll call was taken for the adoption of the following project: Item 6.

And on that direction, a vote was taken resulting as follows: 11 Yeas; 0 Nays; 1 Abstention (Pedersen); 0 Answering Present.

Member Pedersen desired to be recorded as abstaining from the vote as his wife is employed by the Borrower in connection with Item 9.

This project, having received the votes of a quorum of the Members of the Board, was declared passed.

#### **VI. Other Business**

None.

#### **VII. Public Comment**

None.

#### **VIII. Adjournment**

At the time of 10:53 a.m., Member O'Brien moved that the Board do now adjourn until June 11, 2013, at 10:30 a.m.

Member Pedersen seconded the motion.

The motion prevailed.

And the Board stood adjourned.

Minutes published by:  
Brad R. Fletcher  
Assistant Secretary of the Board