



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, MARCH 10, 2015
10:31 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 the Michael A. Bilandic Building, 160 North LaSalle Street, Conference Room N - 502, Chicago, Illinois 60601, on the second Tuesday of March in the year 2015, 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 was taken to ascertain the attendance of Members, as follows: 9 Present.

On the question of a quorum of Members physically present at the location of this open meeting, the Assistant Secretary of the Board declared that a quorum had been constituted.

Having been absent when the Quorum Roll Call for Attendance was taken, Member Lonstein was recorded as present at the time of 10:34 a.m.

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

March 10, 2015

0 YEAS

0 NAYS

10 PRESENT

P Bronner
E Fuentes

P Goetz
E Gold

P Knox

P Leonard
P Lonstein (ADDED)
(VIA AUDIO CONFERENCE)
P O’Brien
P Parish
(VIA AUDIO CONFERENCE)
E Pedersen

P Poole
E Tessler

P Zeller
P Mr. Chairman

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 March 10, 2015, 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 January 13, 2015 and Minutes of the regular meeting of the Board held of February 18, 2015 were taken up for consideration.

Member Leonard moved for the adoption of the Minutes.

Member O'Brien seconded the motion.

And on that motion, a vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes were adopted.

IV. Acceptance of the Financial Statements

Financial Statements for the Month Ended January 31, 2015 and Financial Statements for the Month Ended February 28, 2015 were taken up for consideration.

Vice Chairman Goetz moved for the adoption of the Financial Statements.

Member Poole seconded the motion.

And on that motion, a vote was taken resulting as follows: 9 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Financial Statements were accepted.

Thereupon, Member Lonstein joined the regular meeting of the Board of Directors via audio conference.

V. Approval of Project Reports and Resolutions

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

Mr. Frampton presented the following project:

Agriculture Projects

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

Dustin J. and Lauren R. Clark is requesting approval of a Final Bond Resolution in an amount not to exceed One Hundred Ninety Thousand Dollars (\$190,000). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 48 acres of farmland located in St. Marie Township in Jasper County and German Township in Richland County.

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

Member Bronner seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present.

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 remaining projects without guests or abstentions to the Board.

Mr. Frampton presented the following projects:

Agriculture Projects

Item 2: Item 2 is a request for a Working Capital Guarantee.

Edward and Connie Peterson are requesting approval of a Working Capital Guarantee in an amount not to exceed 85% of a proposed face loan amount of Two Hundred Forty Thousand Dollars (\$240,000). This financing is being presented for one-time consideration.

Loan proceeds will be used by Edward Peterson and Connie Peterson (collectively, the “Borrower”) and Alpine Bank & Trust Co. (the “Secured Lender”) to provide working capital to assist the Borrower in financing annual agricultural input costs. The Authority’s guarantee represents State Treasurer funds at risk in an amount not to exceed Two Hundred Four Thousand Dollars (\$204,000). The Secured Lender will be exposed on all debt above the guaranteed amount.

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

Item 3: Item 3 is a request for Student Loan Revenue Bond financing.

Midwestern University Foundation is requesting approval of an Amended and Restated Final Bond Resolution in an amount not to exceed Twenty Million Dollars (\$20,000,000) that will update terms of the previously approved IFA Resolution 2014-1209-NP03 (hereinafter, the “Prior Bond Resolution”) among other things, restructuring of certain of the financing terms and to approve the issuance of the Series 2015 Bonds under a stand-alone Trust Indenture securing the IFA Bonds.

Since the date of adoption of the Prior Bond Resolution, the Foundation has determined that it is in its best interests to restructure certain of the terms of the financing, including, among others, (i) deleting the Master Indenture (as defined in the Prior Bond Resolution), (ii) creating additional funds and accounts under the Bond Trust Indenture (hereinafter, the “Indenture”), and (iii) establishing a trust estate for the benefit of the Series 2015

Bonds pursuant to the Indenture and the Financing Agreement between the Authority and the Foundation (the “Financing Agreement”).

The Foundation will apply the proceeds from the sale of the Series 2015 Bonds, together with certain other available funds, to (i) finance private education loans to be made by the Foundation to students of the University that attend the University’s Illinois Campus, (ii) finance a portion of the interest on the Series 2015 Bonds, (iii) finance one or more debt service reserve funds for the benefit of the Series 2015 Bonds, and (iv) pay certain costs relating to the issuance of the Series 2015 Bonds (collectively, the “Financing Purposes”).

Item 4: Item 4 is a request for 501(c)(3) Revenue Bond financing.

Noble Network of Charter Schools is requesting approval of a Final Bond Resolution in an amount not to exceed Twenty-Two Million Five Hundred Dollars (\$22,500,000). This financing is being presented for one-time consideration.

Noble Network of Charter Schools, an Illinois not for profit corporation (the “Corporation”), has requested that the Authority issue not to exceed \$22,500,000 (excluding original issue discount or premium, if any) in aggregate principal amount of revenue bonds consisting of one or more series of Education Revenue Bonds (Illinois Charter Schools Project -- Noble Network of Charter Schools), Series 2015 (the “Series 2015 Bonds”) and loan the proceeds thereof to the Corporation in order to assist the Corporation in providing a portion of the funds necessary to do any or all of the following: (i) advance refund in their entirety the Authority’s \$11,250,000 (original principal amount) Education Revenue Bonds (Illinois Charter Schools Project -- Noble Network of Charter Schools), Series 2006C (the “Series 2006 Bonds”) and its \$13,620,000 (original principal amount) Education Revenue Bonds (Illinois Charter Schools Project -- Noble Network of Charter Schools), Series 2007A (the “Series 2007 Bonds” and together with the Series 2006 Bonds, the “Refunded Bonds”) (ii) if deemed necessary or desirable, pay a portion of the interest on the Series 2015 Bonds; (iii) if deemed necessary or desirable, establish a debt service reserve fund for the benefit of the Series 2015 Bonds; and (iv) pay certain expenses incurred in connection with the issuance of the Series 2015 Bonds and the refunding of the Refunded Bonds, all as permitted by the Act (collectively, the “Financing Purposes”).

Healthcare Projects

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

Silver Cross Hospital is requesting approval of a Final Bond Resolution in an amount not to exceed Three Hundred Fifteen Million Dollars (\$315,000,000).

Silver Cross Hospital and Medical Centers (the “Hospital”), on behalf of itself and Silver Cross Health System (the “Parent” and, together with the Hospital, the “Members of the Obligated Group”), each an Illinois not for profit corporation, has requested that the Authority issue not to exceed \$315,000,000 (excluding original issue discount or premium, if any) in aggregate principal amount of revenue bonds consisting of one or

more series of Revenue Refunding Bonds, Series 2015C (Silver Cross Hospital and Medical Centers) (the “Series 2015C Bonds”) and loan the proceeds thereof to the Hospital to provide the funds necessary to do any or all of the following: (i) refund all or a portion of the outstanding principal amount of the Illinois Finance Authority Revenue Bonds, Series 2009 (Silver Cross Hospital and Medical Centers) (the “Prior Bonds”), the proceeds of which were loaned to the Hospital to pay or reimburse the Hospital for the payment of the costs of acquiring, constructing and equipping certain health care facilities of the Hospital, including, but not limited to, an approximately 553,867 square foot replacement acute care hospital and related facilities, (ii) fund a debt service reserve fund, and (iii) pay certain expenses incurred in connection with the issuance of the Series 2015C Bonds and the refunding of the Prior Bonds, all as permitted by the Act (collectively, the “Financing Purposes”).

Item 7: Item 7 is a request for 501(c)(3) Revenue Bond financing.

The University of Chicago Medical Center is requesting approval of a Final Bond Resolution in an amount not to exceed Twenty-Five Million Dollars (\$25,000,000). This financing is being presented for one-time consideration.

The University of Chicago Medical Center, an Illinois not for profit corporation (the “Corporation”), has requested that the Authority issue not to exceed \$25,000,000 (excluding original issue discount or premium, if any) in aggregate principal amount of revenue bonds consisting of one or more series of Revenue Refunding Bonds, Series 2015A (The University of Chicago Medical Center) (the “Series 2015A Bonds”) and loan the proceeds thereof to the Corporation in order to assist the Corporation in providing the funds necessary to do any or all of the following: (i) refund a portion of the outstanding Illinois Finance Authority Revenue Bonds, Series 2009C (The University of Chicago Medical Center) (the “Refunded Series 2009C Bonds”) and (ii) pay certain expenses incurred in connection with the issuance of the Series 2015A Bonds and the refunding of the Refunded Series 2009C Bonds, all as permitted by the Act (collectively, the “Financing Purposes”).

Mr. Frampton noted that the plan of finance contemplates the Series 2015A Bonds being sold in a private placement with Loop Capital Markets, LLC as the placement agent.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1 to the following projects: Items 2, 3, 4, 6 and 7.

Leave was granted.

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

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

Mr. Frampton presented the following resolutions:

Resolutions

Item 8: Item 8 is an Amendatory Resolution that would provide for IFA’s consent to a partial release of collateral in connection with an outstanding Illinois Finance Authority Agricultural Development Revenue Bond issued on behalf of Rex A. Gehrig in the

original Aggregate Principal Amount Not To Exceed \$160,000 as requested by the State Bank of Speer, as the Lender and Bondholder.

- Item 9:** Item 9 is a Resolution Authorizing the Execution and Delivery of a Second Amendment to the Bond and Loan Agreement Relating to Illinois Finance Authority Industrial Development Revenue Bonds (Ockerlund Industries, Inc. Project) Series 2005; and Related Matters.
- Item 10:** Item 10 is a Resolution Authorizing the Purchase of the Series 2004 Bonds by Swedish American Hospital in Lieu of Redemption and the Cancellation of the AMBAC Bond Insurance Supporting the Series 2004 Bonds.
- Item 11:** Item 11 has been withdrawn.
- Item 12:** Item 12 is a Resolution Authorizing Execution of a First Amendment to Intergovernmental Agreement with the Office of the State Fire Marshal for the Fire Truck Revolving Loan Program and Related OSFM Programs.
- Item 13:** Item 13 is a Resolution Cancelling Awards for the Accounting and Auditing Pool Contract.

Chairman Brandt suggested that the Authority's Audit Committee be expanded in the near future to an Audit and Finance Committee in order to address procurement processes.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1 to the following resolutions: Items 8, 9, 10, 12 and 13.

Leave was granted.

These resolutions, having received the votes of a quorum of the Members of the Board, were declared adopted.

Chairman Brandt directed Mr. Frampton to present the project which may have guests to the Board.

Mr. Frampton presented the following project:

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

- Item 5:** Item 5 is a request for 501(c)(3) Revenue Bond financing.

CHF-Cook, L.L.C. is requesting approval of a Preliminary Bond Resolution in an amount not to exceed Forty-Five Million Dollars (\$45,000,000).

Bond proceeds will be loaned to CHF - Cook, L.L.C., a single member limited liability company organized and existing under the laws of the State of Alabama (the "Borrower"), for the purposes of (and including but not limited to) providing the Borrower with all or a portion of the funds necessary to (i) finance the cost of the acquisition, construction, furnishing and equipping of an approximately 110-unit, 440-bed apartment style student housing facility (the "Project"), (ii) fund interest on the Bonds for a period requested by the Borrower, (iii) fund a debt service reserve fund for the benefit of the Bonds, if requested by the Borrower and (iv) pay expenses incurred in connection with the issuance of the Bonds, including bond insurance, if requested by the Borrower, all as permitted by the Act (collectively, the "Financing Purposes").

The Project will be located on Northeastern Illinois University's (hereinafter, the "University's") main campus in Chicago, Illinois and is being developed and financed pursuant to an award resulting from a Request for Proposal for the Design, Development and Management of Student Housing posted by the University.

Mr. Frampton announced that Mrs. Melissa Reardon-Henry, General Counsel of Northeastern Illinois University, was present and ready to speak on behalf of the project.

Mrs. Reardon-Henry thanked the Members of the Board for their consideration of the financing.

Chairman Brandt recognized and thanked Mrs. Reardon-Henry.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Item 1 to the following project: Item 5.

Leave was granted.

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

VI. Other Business

Executive Director Meister, on behalf of Chairman Brandt's Board colleagues and the staff of the Authority, thanked Chairman Brandt for volunteering thousands of hours since January 2008 and for leading the Authority through challenging times for the state of Illinois. Executive Director Meister stated that Chairman Brandt has always understood the vital role that the Authority's financing projects have in making a positive impact on the lives of ordinary Illinois citizens.

Chairman Brandt wished nothing but success to Members of the Board, Authority staff and all guests present. He expressed his joy in working with everyone, including past Members of the Board, during his time as Chairman.

VII. Public Comment

None.

VIII. Adjournment

Chairman Brandt reminded Members of the Board, Authority staff and all guests present that the next regular meeting of the Board will be held on April 14, 2015, at 10:30 a.m.

At the time of 10:50 a.m., Member Bronner moved that the Board do now adjourn until April 14, 2015, at 10:30 a.m.

Member O'Brien seconded the motion.

The motion prevailed.

And the Board stood adjourned.

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