



BOARD MINUTES

**ILLINOIS FINANCE AUTHORITY
BOARD OF DIRECTORS
REGULAR MEETING
TUESDAY, DECEMBER 9, 2014
11:10 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, Room N – 808, Chicago, Illinois 60601, on the second Tuesday of December in the year 2014, 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: 11 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.

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

December 9, 2014

0 YEAS

0 NAYS

11 PRESENT

P Bronner
(VIA AUDIO CONFERENCE)
P Fuentes
P Goetz
P Gold
P Knox

P Leonard
E Lonstein
P O’Brien
E Parish
P Pedersen

P Poole
E Tessler
P Vaught
E Zeller
P Mr. Chairman
(VIA AUDIO CONFERENCE)

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 December 9, 2014, 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 November 21, 2014 and Financial Statements for the Month Ended November 30, 2014 were taken up for consideration.

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

Vice Chairman Goetz seconded the motion.

And on that motion, a vote was taken resulting as follows: 11 Yeas; 0 Nays; 0 Answering Present.

The motion prevailed and the Minutes and the Financial Statements were adopted and accepted, respectively.

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 without guests or abstentions to the Board.

Mr. Frampton presented the following project:

Agriculture Projects

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

David T. Mulch is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Five Hundred Nine Thousand and Six Hundred Dollars** (\$509,600). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 80 acres of farmland located in Raymond Township in Montgomery County.

Member O'Brien moved for the adoption of the following project: Item 1A.

Member Fuentes seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 0 Answering Present; 1 Not Voting (Knox).

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 and resolution:

Agriculture Projects

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

Mitchell A. Rosenthal is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Three Hundred Ninety One Thousand Eight Hundred and Forty Dollars** (\$391,840). This financing is being presented for one-time consideration.

Bond proceeds will be used to finance the acquisition of approximately 60 acres of farmland located in Raymond Township in Montgomery County.

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

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

O.L.L. Education Services is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Seven Million Dollars** (\$7,000,000). This financing is being presented for one-time consideration.

O.L.L. Education Services, an Illinois not for profit corporation (the "**Borrower**"), has requested that the Authority issue not to exceed aggregate total principal amount \$7,000,000 (excluding original issue discount or premium, if any) of revenue bonds consisting of one Revenue Bond (O.L.L. Education Services) Series 2015 (the "**Series 2015 Bond**") and loan the proceeds thereof to the Borrower in order to assist the Borrower in providing all or a portion of the funds necessary to do any or all of the following: (i) refinancing all or a portion of existing indebtedness incurred by the Borrower in connection with the acquisition and rehabilitation of three (3) school buildings located at 4100 Warren Avenue, Hillside, Illinois 60162, 621 Belvidere Road, Waukegan, Illinois 60085 and 801 Illinois Avenue, Aurora, Illinois 60506 (the "**Financed Property**") owned by the Borrower (the "**Refunding**") and leased to Special Education Services, an Illinois not for profit corporation and (ii) pay certain expenses incurred in connection with the issuance of the Series 2015 Bond, 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.

Illinois Valley Community Hospital is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Twenty-Three Million Dollars** (\$23,000,000).

Illinois Valley Community Hospital (the "**Borrower**"), an Illinois not for profit corporation, has requested that the Authority issue one or more series of its Revenue Refunding Bonds, Series 2014 (Illinois Valley Community Hospital) (the "**Series 2014 Bonds**") in an aggregate principal amount not to exceed \$23,000,000 and loan the proceeds thereof to the Borrower in order to assist the Borrower in providing the funds necessary, together with certain other available funds, to: (i) currently refund the \$22,955,000 Illinois Finance Authority Adjustable Rate Demand Revenue Bonds,

Series 2009 (IV Healthcorp, Inc. Project) currently outstanding in the aggregate principal amount of \$21,160,000 (the “Series 2009 Bonds”); (ii) provide working capital; and (iii) pay certain expenses incurred in connection with the issuance of the Series 2014 Bonds and the current refunding of the Series 2009 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.

Rush University Medical Center Obligated Group is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Six Hundred Sixty-Five Millions Dollars** (\$665,000,000). This financing is being presented for one-time consideration.

Rush University Medical Center, an Illinois not-for-profit corporation (the “**Corporation**”), and Copley Memorial Hospital, Inc., an Illinois not-for-profit corporation (“**Copley**” and, together with the Corporation, the “**Borrowers**”) have requested that the Authority issue not to exceed \$665,000,000 in aggregate principal amount of its Revenue Bonds (Rush University Medical Center Obligated Group) in one or more series (the “**Bonds**”), and loan the proceeds thereof to the Borrowers in order to assist the Borrowers in providing the funds necessary to (i) finance, refinance and reimburse the Corporation for all or a portion of the costs of the acquisition, construction, improvement, renovation and equipping of certain of its health care and related facilities (the “**Corporation Project**”), (ii) finance, refinance and reimburse Copley for all or a portion of the costs of the acquisition, construction, improvement, renovation and equipping of certain of its health care and related facilities (the “**Copley Project**” and, together with the Corporation Project, the “**Project**”), (iii) advance refund all or a portion of the outstanding Prior Bonds, (iv) fund deposits to one or more debt service reserve funds to secure the Bonds, if deemed necessary or desirable by the Borrowers, (v) pay a portion of the interest to accrue on the Bonds, if deemed necessary or desirable by the Borrowers, and (vi) pay certain expenses incurred in connection with the issuance of the Bonds if deemed necessary or advisable by the Borrowers, all as permitted by the Act (collectively, the “**Financing Purposes**”).

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

KishHealth System is requesting approval of a **Preliminary** Bond Resolution in an amount not to exceed **Fourteen Millions Dollars** (\$14,000,000).

Bond proceeds will be loaned to KishHealth System, an Illinois not-for-profit corporation (the “**Borrower**”) for the purpose of providing the Borrower with all or a portion of the funds necessary to (i) finance all or a portion of the cost of the acquisition, remodeling, furnishing and equipping of a 70,324 square foot medical clinic building and related land located at 1850 Gateway Drive in Sycamore, Illinois, (ii) fund deposits to one or more debt service reserve funds to secure the Bonds, if deemed necessary or desirable by the Borrower, (iii) pay a portion of the interest to accrue on the Bonds, if deemed necessary or desirable, and (iv) pay certain expenses incurred in connection with the issuance of the Bonds, if deemed necessary or desirable by the Borrower, all as permitted by the Act (collectively, the “**Financing Purposes**”).

Resolutions

Item 9: Item 9 is a Resolution Authorizing the Issuance of not to exceed \$2,000,000 in Aggregate Principal Amount of the Illinois Finance Authority’s Revenue Refunding Bond

(Hispanic Housing Development Corporation Project), Series 2014, the Proceeds of which are to be Loaned to Hispanic Housing Development Corporation.

Vice Chairman Goetz moved for the adoption of the following projects and resolution: Items 1B, 4, 6, 7, 8 and 9.

Member Pedersen seconded the motion.

And on that motion, a vote was taken resulting as follows: 11 Yeas; 0 Nays; 0 Answering Present.

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

Chairman Brandt directed Executive Director Meister to present the following resolution:

Executive Director Meister presented the following resolution:

Resolutions

Item 10: Resolution Authorizing the Executive Director to Prepare a Suitable Forbearance Agreement Waiving any Event of Default until June 30, 2015 for Circulation Among the Members of the Illinois Finance Authority and the Village Board of Thomson, Carroll County, Illinois, with Respect to \$4,090,000 Original Aggregate Principal Amount of General Obligation Waterworks and Sewerage Revenue Bonds Issued by the Village of Thomson, Carroll County, Illinois in 2000 and Owned by the Authority; and Related Matters.

Chairman Brandt asked for and, by unanimous consent, obtained leave to apply the results of the vote for Items 1B, 4, 6, 7, 8 and 9 to the following resolution: Item 10.

Leave was granted.

This resolution, having received the votes of a quorum of the Members of the Board, was declared adopted.

Chairman Brandt directed Mr. Frampton to present the projects which may have guests and/or an abstention.

Mr. Frampton presented the following projects:

Local Government and Government Purpose Projects

Item 2: Item 2 is a request for Local Government Revenue Bond financing.

Pace, the Suburban Bus Division of the Regional Transportation Authority, is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Twelve Million Dollars** (\$12,000,000). This financing is being presented for one-time consideration.

Proceeds of the Illinois Finance Authority Local Government Program Revenue Bonds, Series 2015 (Pace, the Suburban Bus Division of the Regional Transportation Authority – Revenue Bond Projects), will be used for the purpose of purchasing certain local government securities (the “**Local Government Securities**”) from Pace, the Suburban Bus Division of the Regional Transportation Authority (hereinafter, “**Pace**”). Pace is

organized and existing pursuant to the Regional Transportation Authority Act, 70 ILCS 3615 (the “**RTA Act**”), and provides bus and ADA transportation services to customers in Cook, DuPage, Kane, Lake, McHenry and Will Counties in Illinois.

Pace, with the approval of the Regional Transportation Authority, will use the proceeds of the Local Government Securities pursuant to the RTA Act.

Vice Chairman Goetz moved for the adoption of the following project: Item 2.

Member Pedersen seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 1 Abstention (Fuentes); 0 Answering Present.

Member Fuentes desired to be recorded as abstaining from the vote because a relative serves on the Board of Directors of the Regional Transportation Authority.

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

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

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

Midwestern University is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Twenty Million Dollars** (\$20,000,000).

Midwestern University Foundation (the “**Foundation**”) will apply the proceeds from the sale of the Student Loan Program Revenue Bonds (Midwestern University Foundation) Senior Series 2015A (the “**Series 2015A Bonds**”) and the Student Loan Program Revenue Bonds (Midwestern University Foundation) Subordinate Series 2015B (the “**Series 2015B Bonds**”) and together with the Series 2015A Bonds, 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 Midwestern University (the “**University**”) that attend the University’s Illinois Campus, (ii) finance a portion of the interest on the Series 2015 Bonds, if deemed necessary or desirable by the Foundation, (iii) finance one or more debt service reserve funds for the benefit of the Series 2015 Bonds, if deemed necessary or desirable by the Foundation, and (iv) pay certain costs relating to the issuance of the Series 2015 Bonds (collectively, the “**Financing Purposes**”).

The Bonds will be issued pursuant to the Higher Education Loan Act of the State of Illinois and the Illinois Finance Authority Act (both, as amended).

Vice Chairman Goetz moved for the adoption of the following project: Item 3.

Member Poole seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 0 Nays; 1 Abstention (Gold); 0 Answering Present.

Member Gold desired to be recorded as abstaining from the vote because he is of counsel to Perkins Coie LLP, which is engaged as trustee’s counsel on the transaction.

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 following project: Item 5.

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.

Navy Pier, Inc. is requesting approval of a **Final** Bond Resolution in an amount not to exceed **Forty-Six Million Five Hundred Thousand Dollars** (\$46,500,000). This financing is being presented for one-time consideration.

Revenue bonds consisting of one or more series of Revenue Bonds, Series 2014A (Navy Pier, Inc. Project) (the “**Series 2014A Bonds**”) and Draw Down Revenue Bonds, Series 2014B (Navy Pier, Inc. Project) (the “**Series 2014B Bonds**”) and, together with the Series 2014A Bonds, the “**Bonds**”) will be used by Navy Pier, Inc., an Illinois not for profit corporation (the “**Corporation**”), for the purpose of providing the Corporation with all or a portion of the funds to: (i) pay or reimburse the costs of the manufacture and installation of a replacement observation wheel and necessary structural improvements (the “**OW Project**”); (ii) pay or reimburse the costs of the acquisition, construction, repair, rehabilitation and equipping of a new live performance theater and/or certain other projects including, but not limited to, renovation of the Crystal Gardens, the Family Pavilion Area, the Navy Pier East End area and/or Polk Bros Park (the “**Theater/Pierscape Project**”) and, together with the OW Project, the “**Project**”); and (iii) pay certain expenses incurred in connection with the issuance of the Bonds, all as permitted by the Act (collectively, the “**Financing Purposes**”).

Chairman Brandt informed the Members that the Acknowledgement and Agreement (the “**Agreement**”) by and among the Metropolitan Pier and Exposition Authority, a municipal corporation and body politic of the State of Illinois (the “**MPEA**”), the Corporation and Fifth Third Bank, an Ohio banking corporation, was approved at the regular meeting of the MPEA Board of Directors by action taken earlier on December 9, 2014.

Vice Chairman Goetz moved for the adoption of the following project: Item 5.

Member O’Brien seconded the motion.

And on that motion, a vote was taken resulting as follows: 10 Yeas; 1 Nay; 0 Answering Present.

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

Chairman Brandt presented the following resolution: Item 11.

Resolutions

Item 11: Item 11 is a Resolution Appointing the Executive Director of the Illinois Finance Authority for One-Year Term of Office.

Chairman Brandt advised those present that pursuant to statute, the Office of the Governor provided a list of nominees to the Board for consideration in appointing an Executive Director of the Illinois Finance Authority for the upcoming one-year term of office. After deliberations, the Board chose to continue with

Executive Director Meister, provided that Executive Director Meister agreed to resign from the one-year term of office at any time should he be requested to do so by the Governor-Elect or his designee.

Executive Director Meister confirmed that he agrees to resign from the one-year term of office at any time should he be requested to do so by the Governor-Elect or his designee.

Member Vaught moved for the adoption of the following project: Item 11.

Member Poole seconded the motion.

And on that motion, a vote was taken resulting as follows: 11 Yeas; 0 Nays; 0 Answering Present.

This resolution, having received the votes of a quorum of the Members of the Board, was declared adopted.

VI. Other Business

None.

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 January 13, 2015.

At the time of 11:32 a.m., Vice Chairman Goetz moved that the Board do now adjourn until January 13, 2015, 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