

Date: May 12, 2020

To: Eric Anderberg, Chairman
Michael W. Goetz, Vice Chairman
James J. Fuentes
William Hobert
Mayor Arlene A. Juracek
Lerry Knox
Lyle McCoy
Bradley A. Zeller

Roxanne Nava
George Obernagel
Terrence M. O'Brien
Roger Poole
Beth Smoots
Randal Wexler
Jeffrey Wright

From: Christopher B. Meister, Executive Director

Subject: *Message from the Executive Director*

Dear Member of the Authority:

Restore Illinois: A Public Health Approach to Safely Reopen Our State

On March 9, 2020, the day before our last Authority meeting, Governor Pritzker issued the Gubernatorial Disaster Proclamation (“Proclamation”) related to COVID-19, the first of many executive orders and actions taken to mitigate the human tragedy resulting from the global pandemic’s unprecedented threat to public health and the Illinois economy. On March 15, consistent with the Proclamation and subsequent actions, day-to-day Authority operations went remote. Since then, the Authority has continued to serve our borrowers and stakeholders in a safe and healthy way. The Proclamation has been extended through May 29, 2020.

On May 5, 2020, Governor Pritzker introduced ***Restore Illinois***, a five-phased plan to reopen our state, guided by health metrics with distinct business, education, and recreational activities characterizing each phase. The phases include: (1) ***Rapid Spread***; (2) ***Flattening***; (3) ***Recovery***; (4) ***Revitalization***; and (5) ***Illinois Restored***. The Authority stands ready to use our tools, talent, resources, and flexibility to help our fellow residents and our economy move forward consistent with this plan.

Executive Order 33/COVID-19 Order 31 and US Internal Revenue Service Action

As a prerequisite for closing and funding most federally tax-exempt conduit bonds, the Authority must provide both (1) a bond resolution adopted pursuant to a lawful Authority quorum and (2) documented evidence of a valid public hearing administered by the Authority under the federal Tax Equity and Fiscal Responsibility Act of 1982 (“TEFRA”). The Authority conducts its TEFRA hearings in Springfield pursuant to public notice, prepared under guidance of outside bond counsel, with the ability to receive written comments in advance.

Today’s remote Authority meeting was made possible by the suspension of the provision of the Illinois Finance Authority Act requiring that “[a]ll meetings shall be conducted at a single location within the State with a quorum of members physically present at this location” (20 ILCS 3501/801-825) by Gubernatorial Executive Order 33/COVID-19 Order 31 (“EO 33/COVID-19 31”) issued on April 30,



2020. EO 33/COVID-19 31 was issued pursuant to the Proclamation as extended and modified from time to time. During this challenging time, we are grateful to Governor Pritzker for his consideration of the Authority's unique statutory mandates as well as the contributions of outside bond counsel to this positive outcome.

On May 4, 2020, the United States Department of the Treasury ("US Treasury") provided guidance on the public approval requirement for TEFRA hearings that will allow the Authority to hold TEFRA hearings consistent with the restrictions in effect due to COVID-19. The National Association of Bond Lawyers ("NABL") took the lead in proposing language to US Treasury on the TEFRA issue. We are grateful for NABL's work on this matter. One of the Authority's national membership organizations, the National Association of Health, Educational Facilities Finance Authorities ("NAHEFFA"), as well as other entities with interests in conduit bonds, also advocated with Treasury and the IRS on this critical issue. The Authority's next TEFRA hearing will take place on May 13, 2020.

Jobs, Higher Education, Supportive Housing and Innovation

In these challenging economic times, the Authority is proud to have two long-time conduit borrowers on today's agenda: ***CenterPoint Joliet Terminal Railroad, LLC*** and ***North Central College*** (Naperville). The CenterPoint project has been supported by a special programmatic allocation of federal tax-exempt Private Activity Bond volume cap provided directly to the CenterPoint Intermodal Center – Joliet project (or "CIC – Joliet") provided by the US Department of Transportation (rather than the US Treasury). The financing represents the culmination of nearly fifteen years of effort by the Authority. Once today's transaction is closed, the last of five anticipated bond issues for this project, the Authority will have issued over \$600 million in conduit bonds on behalf of CIC - Joliet since 2010. This project is responsible for thousands of permanent and union construction jobs. This project was the first of its kind in the nation and represents an economic project of statewide importance. Since the inception of this major Illinois jobs engine, the Authority has played a critical contributing role in bringing this project to reality.

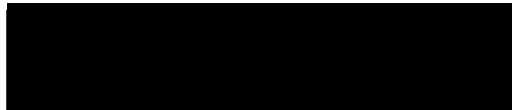
Of particular relevance during today's pandemic, ***North Central College*** will use its bond proceeds to construct a new Health Sciences Building on its main campus. Construction of the new Health Sciences Building is scheduled to begin this Spring (although site work has already been initiated) and will offer immediate relief to students and staff upon completion in August of 2021. Once completed, the building will be approximately 42,000 square feet and house some of the most important health sciences programs the College offers, including a new Masters of Physician Assistant program that will be developed for the first cohort to begin in August 2021 and a new Doctor of Physical Therapy program that will be developed for the first cohort to begin in January 2023.

The Authority will also consider amendments for ***Roosevelt University***, ***SMART Hotels/Olympia Chicago, LLC*** as well as the ***St. Anthony and Deer Path Supportive Living Facility*** financings.



Finally, you are aware of the promise held by the Authority's newest product, Property Assessed Clean Energy ("PACE") financing. The City of Chicago's ChicagoPACE program not only relies upon the enacted legislation supported by the Authority but also the Authority's expertise and standardized financing documents in issuing PACE bonds. This month, *Fast Company* magazine recognized ChicagoPACE through an honorable mention out of 3000 applicants as one of "World Changing Ideas Awards 2020: Politics and Policy" <https://www.fastcompany.com/90492095/world-changing-ideas-awards-2020-politics-and-policy-finalists-and-honorable-mentions>.

Respectfully,



Christopher B. Meister
Executive Director