

Date: July 13, 2021

To: William Hobert, Chair  
Peter Amaro  
Drew L. Beres  
James J. Fuentes  
Mayor Arlene A. Juracek  
Roxanne Nava  
George Obernagel

Roger Poole  
José Restituyo  
Timothy Ryan  
Eduardo Tobon  
Randal Wexler  
Jeffrey Wright  
Bradley A. Zeller

From: Christopher B. Meister, Executive Director

Subject: *Message from the Executive Director*

Dear Member of the Authority:

***State of Illinois Credit Ratings Upgrades: Moody's; S&P Global***

“The State of Illinois’ upgrade to ‘Baa2’ from ‘Baa3’ is supported by material improvement in the state’s finances, demonstrated by the ability to repay emergency Federal Reserve borrowings promptly and keep unpaid bills in check at a low level. . . .”

- Moody’s Investors Service, Credit Opinion, July 7, 2021 (supplementing the June 29, 2021 announcement)

“The upgrade [to ‘BBB’ from ‘BBB-’; and others] reflects our [S&P Global Ratings] view of improved liquidity, demonstrated operational controls during the pandemic, and an improving economic condition.”

- S&P Global Ratings, July 8, 2021

Governor Pritzker’s June 29, 2021 reaction to Moody’s is also applicable to the S&P decision:

"I promised to restore fiscal stability to Illinois, and . . . ratings upgrade[s] demonstrate that Illinois' finances are heading in the right direction for the first time in two decades. A ratings upgrade pays momentous dividends for taxpayers, and the people of Illinois deserve credit for their incredible resilience and determination . . . Th[ese] upgrade[s] are the result of many leaders working together on a strong fiscal plan and putting that plan in place, and I would like to especially thank Speaker Welch, President Harmon, Leader Greg Harris, Senator Sims, Comptroller Mendoza and Treasurer Frerichs for their partnership."

While there remains a long road ahead, we celebrate the positive direction for Illinois finances and the benefit that it will confer upon the people of Illinois.

### ***Northwestern Memorial HealthCare***

Today, the Authority is proud to welcome ***Northwestern Memorial HealthCare*** (“NMHC”) to our agenda. NMHC is one of our state’s greatest assets. NMHC contributes an important global competitive advantage for our region and is a major Illinois employer. With a not-to-exceed amount of \$1.150 billion, NMHC’s comprehensive transaction is expected to be one of the largest financings ever facilitated by the Authority. Bond proceeds will be used to refund all or a portion of multiple series of outstanding Authority bonds.

NMHC is the parent of an integrated not-for-profit health care organization, anchored by Northwestern Memorial Hospital and Northwestern Medical Faculty Foundation d/b/a Northwestern Medical Group (“NMG”), which provides services to communities in Northern Illinois. NMHC partners with Northwestern University’s Feinberg School of Medicine (“FSM”) to form an academic medical center providing patient care, research and training of resident physicians. Northwestern Medicine is the shared strategic vision of NMHC and FSM.

NMHC is the corporate parent for Northwestern Medicine’s health system (“Northwestern Medicine”) which employs 33,311 employees at nearly 200 diagnostic and ambulatory sites across northern Illinois, including approximately 2,651 licensed beds among 11 hospitals located in Illinois.

Northwestern Medicine includes 11 award-winning hospitals: (1) Northwestern Memorial Hospital (“NMH”); (2) Northwestern Medicine Central DuPage Hospital (“NM CDH”); (3) Northwestern Medicine Lake Forest Hospital (“NM LFM”); (4) Northwestern Medicine Delnor Hospital (“NM Delnor”); (5) Northwestern Medicine Kishwaukee Hospital; (6) Northwestern Medicine Valley West Hospital; (7) Marianjoy Rehabilitation Hospital; (8) Northwestern Medicine McHenry Hospital; (9) Northwestern Medicine Huntley Hospital; (10) Northwestern Medicine Woodstock Hospital; and (11) Palos Community Hospital.

Importantly, NMH (the hospital) serves as a regional referral center and was ranked 10th on the list of the nation’s “Best Hospitals” by *U.S. News & World Report* in its 2020 report. The report also ranked NMH 1st in both the Chicago metropolitan area and in Illinois. In addition, NMH was nationally ranked in nine specialties, and was one of only 37 hospitals in the nation to earn High Performing in all Procedures and Conditions. Each hospital continues to be recognized for patient safety and quality, while NMH, NM CDH, NM LFM and NM Delnor hospitals have achieved Magnet® recognition for nursing excellence from the American Nurses Credentialing Center, the prestigious gold standard for nursing care. Northwestern Medicine has also received numerous awards for consumer satisfaction, its inclusive diversity practices, and for financial stewardship for maintaining superior bond ratings for over 30 years.

The Authority looks forward to working with NMHC to bringing its major transaction to a successful conclusion.

### ***Plymouth Place, Inc.***

We also welcome another financing for ***Plymouth Place, Inc.*** (“Plymouth Place”). Founded as an Illinois not-for-profit corporation in 1939 in connection with the United Church of Christ, the borrower operates a senior living facility open to all without regard to race, color, national origin or religion. Plymouth Place prioritizes the dignity and worth of each individual and the need to retain one's own personal identity and independence, and is dedicated to providing a gracious environment for individuals in their retirement years, as well as meeting the needs of the aging in the community at large.

Plymouth Place is located on an 18.6 acre site in La Grange Park and consists of 4 independent living cottages, 182 residential independent living apartment units, 52 assisted living apartment units, 26 memory support assisted living units, and 86 skilled nursing beds.

***Lawndale Educational and Regional Network Charter School***

The Authority also welcomes ***Lawndale Educational and Regional Network Charter School*** (“LEARN”). LEARN is an Illinois not-for-profit corporation and its mission is to provide children with the academic foundation and ambition to earn a college degree. Founded in 2001, LEARN is an innovative network of tuition-free, high performing college prep public elementary schools open to all students. Currently, LEARN educates about 4,000 pre-kindergarten to 8<sup>th</sup> grade students at ten campuses in Chicago, North Chicago and Waukegan. Taken together, LEARN serves children living in Chicagoland’s most vulnerable communities: 98% of the student population are minority, 88% of the students are low income, a significant majority of the students have experienced trauma of one kind or another, and approximately 200 students are homeless.

The proposed tax-exempt bond issue will reduce monthly payments that will assist in helping LEARN keep its fixed charges (including debt service payments) and financing fees as low as possible. Finally, the new money projects contemplated as part of the plan of finance are anticipated to create 25 constructions jobs and 42 permanent new jobs.

***Beginning Farmer Bond***

The Authority will also assist a beginning farmer with the purchase of an undivided one half interest in 120 acres farmland in Bond County through the issuance of a federally tax-exempt conduit bond.

***Amendments***

The Authority will also consider an amendatory resolution for ***Resurrection University*** as its construction project previously funded with proceeds of the outstanding Series 2020 Bond will be completed under budget.

Respectfully,



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Christopher B. Meister  
Executive Director